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PR and CSR: Malaysian Perspectives

DECLARATION

This	thesis	has	been	compo	osed b	y Zet	Azreen	Ahmad.	The	work	this	thesis	embodies	has
been	done l	by Z	eti Az	reen A	hmad	and l	nas not b	een inclu	ded i	n anot	her t	hesis.		

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ABSTRACT

This thesis presents an empirical inquiry that explicitly exposes the relationships between CSR practice in Malaysia and the scope of PR. This thesis embraced a critical approach which offers alternate readings in Malaysian PR literature which are dominantly quantitative in nature. The focus is on how socio-political, economic, cultural and organizational contexts shape the practice of CSR and affect the scope and function of PR in pursuing the practice.

This thesis has contributed to the literature by providing empirical evidence of the underlying motives behind the pursuit of CSR among businesses in the country. It also offers empirical data on PR roles in pursuing CSR in Malaysia – something that has received very little attention in the literature despite PR's perceived potentials in spearheading the function.

This empirical work has employed semi-structured interviews among PR managers and CSR managers working in renowned CSR organizations in Malaysia. In addition, the thesis analyses executives' messages in CSR reports and later triangulated with interview findings that helped to achieve a rich description of the topic under study. Critical Discourse Analysis (CDA) was adopted in this thesis and made explicit the relationships between sociopolitical, economic and cultural dimensions that shape CSR practice and the scope of PR by taking into consideration the presence of power relations in this phenomenon. Fairclough's (2010) three dimensional frameworks was adopted to enable interpretation go beyond texts that mainly applied to data from CSR reports.

The literature revealed CSR practice is a recent phenomenon in Malaysia whereby the government has been a major driver in its development. Drawing from Malaysian experience, economic growth is fundamental to ensure a fair distribution of wealth among multi-races in Malaysia that perceived imperative to preserve national unity. In this respect, CSR initiatives have been largely undertaken to achieve the long term survival of businesses that consequently drive the nation's economy in a long term. CSR has been primarily constructed as a means to create business competitiveness and a symbol for success. This has been widely accepted among business firms in Malaysia thus become ideological. At the same time, PR role was found dominant in promoting the practice of CSR that appears to be working to the advantage of the dominant groups i.e., business and government. Nevertheless, how PR promotes mutual interests of business and society through CSR remain obscure.

This thesis also argues that the motivation to promote business interests serves as the key stumbling block for PR in creating sustainable impact and value to other than it paymaster and financial stakeholders. This thesis suggests that it is time for PR to reflect on this common practice particularly in terms of its ethical implications to both the organizations and the value of PR profession as a whole. This empirical study has significantly contributed particularly in the realm of PR role research in CSR within specific social-cultural, political, economic contexts of Malaysia and PR research from the critical perspectives.

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CHAPTER 1: INTRODUCTION

This thesis critically examines the role of public relations (PR) in corporate social responsibility (CSR)¹ practice in Malaysia. This chapter explains the project's significance, the scope of the research, the methodology adopted and how the thesis aims to contribute to knowledge and the PR industry as a whole. Finally, the chapter lays out the structure of the thesis.

Public relations (PR) and corporate social responsibility (CSR) are evolving concepts, neither of which has a single definition. The many and diverse definitions of the two concepts are evident in the academic literature and discussed in Chapter 2. The lack of a standard definition for PR was notoriously first noted by Dr. Rex Harlow (1977), who collated and analyzed 472 definitions of PR written between 1900 and 1976 (Cutlip, Center & Broom 2000, p. 4). Likewise, CSR is hard to pin down as illustrated in the rich array of related literature coming from a wide range of academic disciplines such as: management; marketing; accountancy; public relations; and law; to name a few. Moreover, the practices of PR and CSR vary in concept, and are also manifested in numerous forms and degrees, from one corporation to another. This thesis argues that both PR and CSR are social constructs greatly influenced by the socioeconomic, political and cultural landscape of a nation. Brussel (2008) emphasized that 'CSR comes with different national characteristics resulting from diverse cultural tradition as well as heterogeneous social and economic backgrounds' (p. viii). At the same time, scholars argued that PR has a significant role in CSR and should be placed under the purview of PR (Freitag, 2007; Kim & Reber, 2008), and that PR and CSR are

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¹ The acronyms of PR and CSR will be used to represent public relations and corporate social responsibility respectively throughout the discussion

interconnected in such a way that CSR becomes a tool for PR (L'Etang, 1994, 1996, 2006).

This thesis focuses on the connection and relationship between PR and CSR in one particular cultural context. Despite many claims that PR manages CSR practice, the empirical evidence on PR roles in pursuing CSR initiatives remains scarce. The PR role has remained marginalized in CSR, a contributing factor in encroachment² suffered by the profession. It has been suggested that PR practitioners' strong self-identity towards their competencies and values in pursuing the organizational function 'decrease the likelihood of encroachment' occurring (Lauzen 1992, p.61). In this regard, it is imperative to gain the insights of PR practitioners on issues which have remained unheard, or taken for granted, pertaining to their role in CSR and on constraints they experienced in pursuing the practice.

Clark (2000) asserted that 'the rise of CSR, in the late 1970s and early 1980s, coincided with the increased concern for a corporation's image' (p.364). This is particularly true in the Malaysian context due to several policies introduced in the 1980s i.e., 'privatization' and 'industrialization' policies (see details in Chapter 3). These policies forced business to endure in a competitive environment by giving greater attention to corporate image, which was often managed by PR. Similarly, Malaysian businesses feel the urge to embrace socially responsible practices in order to enhance their reputations, while meeting the requirements of international trade (see Lu & Castka 2009). In this context, CSR could be viewed as an essential tool for PR to use in optimizing a company's image and reputation (L'Etang, 1994), in order to improve

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² Professionals with other expertise such as marketing, law, human resources, or engineering occupy the senior public relations position in an organization (Lauzen 1992, p. 61).

economic growth. For that reason, this thesis is oriented towards exploring CSR practice among CSR renowned corporations in Malaysia, and the role of PR in that practice by taking into consideration the organizational and social structures i.e. sociocultural, economic and political contexts, that shaped and are actively shaping the development of CSR in the country.

On the other hand, critical theorists affirmed that PR works in the interest of those who pay it service, and has been instrumental in the support of capitalism (see Coombs & Holladay 2007; Miller & Sklair 2010; Edwards 2011; Bardhan & Weaver 2011). Drawing from this argument, scholars from critical perspectives assert that PR could neither instigate CSR initiatives that would yield mutual return to both business and stakeholders, nor promote ethical CSR (L'Etang 1994, 1996, 2006). Therefore, one of the objectives of this research is to examine critically how PR practitioners constructed their role in CSR, by taking into account organizational frameworks, and wider social contexts, both of which shaped and are actively shaping PR practice. At the same time, practitioners' constraints and limitations in enacting CSR are sought.

This thesis was conducted in Malaysia due to the pervasive interest there among organizations in embracing CSR, and the lack of research conducted in this area. Heightened attention to CSR practice is evident as companies have taken the initiatives to include a CSR section in their official websites and corporate profile. At the same time, CSR news-oriented issues have received special highlights in the mainstream media, local business trade journals, and international conferences, as compared to a decade ago. In recent years some organizations have established a CSR department to

manage all their CSR activities. This phenomenon to some extent indicates the importance of CSR to organizations in Malaysia.

Nonetheless, the underlying reason for the widespread adoption of CSR has not received adequate empirical support (Shum & Yam 2011), which subsequently makes its future direction indefinite, if not impossible to gauge. Hence, this research is designed to address this gap by responding to the research question developed; how is CSR practised in Malaysia and why? And what is the role of PR in that practice?.

Furthermore, this thesis has been initiated in view of the inadequate recognition given to PR in pursuing CSR by other academic domains such as management, accounting, marketing and law to name a few. This inadequacy exists despite many claims made by scholars about PR's significant potential in managing the practice at both organizational and societal levels. Similarly, the contribution of PR in CSR has not been sufficiently recognized in PR literature. Kim & Reber (2008) argued that very little research attempted to look at the PR role in CSR from practitioners' perspectives (p.2). This thesis argues that PR has a significant role in spearheading CSR in view of substantial literature addressing PR's potential to perform in CSR through its corporate conscience function (Bernays 1952; Burson 1974; Bowen 2004, Bowen 2007; Bowen 2008), issues management function (Heath 1997), and relationship management function (Ledingham & Bruning 1998, 2000; Ledingham 2003; Phillips 2006a, 2000b; Waddock & Smith 2000). This argument is largely discussed in Chapter 2. However, PR's huge potential to pursue CSR practice does not receive adequate empirical support in literature, causing PR's role in socially responsible practices to remain trivial and marginalized. Thus, one of the objectives of this thesis is to fill that void.

This thesis aims to elicit the multiple realities of PR's role in CSR, and indirectly contribute to the development of the role research of PR in Malaysia, which could benefit practitioners, academicians, and the PR industry as a whole. By and large, role research primarily examines PR functions, and the influence they have within organizations, which subsequently explicates its professional status (Hogg & Doolan 1999). Dozier & Broom (2006) affirmed that the role enacted by organization's members comprises of 'abstractions, conceptual maps that summarize the most salient features of day-to-day behavior of organizational members' (p.137). They further argued that organization's members including PR practitioners 'actively construct their roles from the myriad of messages they receive about what is expected of their office' (Dozier & Broom 2006, p.143). Pioneers in PR role research, Broom (1979), conceptualized a four-role typology of PR that includes: an expert prescriber; communication facilitator; problem solving facilitator; and communication technician (in Lauzen 1992). These four functions of PR were later reduced by Dozier (1983) into a dual typology; manager and technician functions which are commonly used to classify the nature of activities executed by practitioners within organizations (in Lauzen 1992, p. 63). The predisposition to place PR at a strategic level is becoming more intense as scholars continue to examine factors that contribute to the managerial role enactment³. These factors include: gender; education; professional experience; department size, and participation in decision making; job satisfaction and salary (Dozier & Broom, 1995); and environmental uncertainty (White & Dozier 1992). Nevertheless, recent PR roles literature criticized the manager and technician dichotomy as oversimplifying the

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³ Managerial role enactment refers to practitioners direct involvement in the formulation and implementation of corporate and business strategies within organizations (Moss, Warnaby & Newman, 2000)

complexities of role enactment (Dozier & Broom, 2006, p.146). A study of leading companies in the UK conducted by Moss, Warnaby & Newman (2000), found that practitioners' involvement in strategic decision making exists in a continuum. The study revealed that industry and organizational context, management expectations of PR, and perceived professional competence emerged as important determinants of the level of practitioner involvement in strategic decision making (Moss, Warnaby & Newman 2000, p.277).

However, it is important to note that PR's role research was mainly conducted in the United States, with very little conducted in other nations. At the same time, the four models of PR: press agentry; public information; two-way symmetry; and the two-way asymmetrical model (Grunig & Hunt 1984) were largely adopted to examine the practice of PR worldwide, including Asian countries and incorporating Malaysia (e.g. Idid 1994; Sriramesh, Kim & Takasaki 1999; Lim, Goh & Sriramesh 2005). Research on PR in India, Japan, South Korea and Singapore (Sriramesh, Kim & Takasaki 1999; Lim, Goh & Sriramesh 2005) revealed that Grunig & Hunt's (1984) four models described only some of the PR activities in these respective countries; the research found that the personal influence model was extensively used, particularly in managing relationships with media and government officials. This finding suggested that the four models of PR (Grunig & Hunt 1984) do not adequately illustrate the orientation of PR activities outside the United States, as PR is largely influenced by the cultural dimension of a nation (Sriramesh & White 1992). On this account it could be concluded that what is perceived as effective PR in the Western countries may not be of similar value in other parts of the world. Consequently, this thesis is keen to explore

how PR's role in CSR is actively constructed by practitioners within a unique Malaysian context.

It is important to note that most role research adopted quantitative methodology that is only capable of generating a 'nomothetic model of explanation' (Dozier & Broom 2006, p. 145; see also Moss, Warnaby & Newman 2000) that could be generalized to a wider PR population, regardless of the country-specific context. This methodological approach would not suffice to explain the complexity involved in enacting PR's role in a myriad of organizations in different nations. In this regard, the complexity and nuances of PR's role(s) performed in non-US culture has not been elicited. Unlike other roles research, this study is not intended to explore the dual typology of the manager-technician role of PR practitioners in organizations. This thesis has adopted qualitative empirical inquiry that aimed to provide greater voice to PR practitioners at managerial level to explain their role(s), limitation and constraint in pursuing CSR. In this thesis I argue that the actual role enacted by PR practitioners in CSR may not align with the normative exercise, as espoused by most functionalist perspectives. This view claims that PR helps organizations to be socially responsible or to promote mutual interests (e.g. Grunig & Hunt 1984). The focal point of this inquiry is to make the relationships between socio-political, economic and cultural dimensions that are shaping CSR practice and the scope of PR role in the practice more apparent thus helped to unveil how power relations is implicated within this phenomenon. Hence, this empirical inquiry has adopted Fairclough's (1992, 2003, 2010) Critical Discourse Analysis (CDA) as elaborated in Chapter 4 (see 4.5 Analytical approach) to analyse data mainly for executive messages for this thesis.

Data was primarily generated through semi-structured interviews, and executive messages (see 4.4 The data collection procedures) drawn from CSR reports. The study was conducted among organizations with long CSR traditions, and those which had been recognized as outstanding performers in CSR in view of their voluntary practice in the country. These organizations were selected from the award winners' list of the Association of Chartered Certified Accountants' (ACCA) Malaysian Sustainability Reporting Awards 2006 and 2007 (known as MESRA)⁴, the Prime Minister's CSR Award 2007⁵, and Star-Biz CSR Award 2008⁶.

Semi-structured interviews have been conducted with PR and CSR practitioners who hold a managerial position in those companies renowned for their practice in CSR. In-depth insights from these managers, particularly in relation to their involvement in CSR, and the current challenges and constraints faced by them were gathered through interviews. At the same time, executive messages drawn from CSR reports were also used to address the same research issue that helped to achieve the completeness (see 4.5 *Triangulation*) that is integral for qualitative inquiry. The ultimate aim of this research is to offer intensive empirical evidence on the actual role of PR in CSR practice from practitioners' perspectives, and how this role is constructed. Additionally, the thesis provides a critical analysis of that data to suggest alternate readings.

However, in light of the proposed methodological limitations, the findings of the research cannot be used to generalize the current state of CSR practice in Malaysia, but

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⁴ Initiated by the Association of Chartered Certified Accountants (ACCA) to encourage the uptake of sustainability or CSR reporting among companies in Malaysia. The award was first introduced in Malaysia in year 2002 (see ACCA n.d.)

⁵ Initiated by the Ministry of Women, Family & Community Development in 2007. This award served as recognition to companies' corporate responsibility initiatives in 8 areas: community and social welfare; education, environment, culture & heritage, small companies CSR, best workplace practices & special award for media reporting (see PM's CSR Award 2007)

⁶ A collaborative effort between the business section of the Star and the Institute of Corporate Responsibility Malaysia (ICRM) which was introduced in 2008. The awards aim to recognize companies that demonstrate outstanding CR practices, which go beyond community and philanthropy (Chan, April 14 2008)

rather to provide a rich description of CSR practices among organizations known to be socially responsible in the country. The same limitation applies to the roles of PR practitioners in CSR which cannot be generalized to a wider population in view of the small sample size used.

This thesis is divided into eight main chapters. While the initial chapter deals with the introduction, Chapter 2 provides a comprehensive literature review of PR and CSR. It begins by illuminating the definitional quandary of the term CSR which has contributed to its complexity of development in research and practice. The chapter continues with a discussion that traces the root of CSR scholarship in management and how the concept has been conceptualized in multiple disciplines which have been selected to frame the study i.e.: management, marketing, accounting and law. The discussion explores the importance of communication, and PR's potential in spearheading CSR in these various disciplines. Next, the chapter elaborates on the connection between PR and CSR by illustrating how PR core functions i.e.: relationship management; issues management; ethical practice, reputation management; and rhetoric intersected with the practice of CSR. In addition, Chapter 2 also offers a critical outlook that provides other possible ways for PR to attain or constrain the objectives of CSR. The chapter then elucidates the relationship between business ethics and CSR which, amongst others issues, brings in the tension between CSR practices driven by profit maximization, and those driven for ethical reasons.

Subsequently, the review of literature also elaborates on fundamental aspects of CSR which include its development as a concept and practice, the underlying motivations of the practice, and the prevailing theoretical framework that advance the

practice. The chapter continues to discuss the evolution of CSR, drawing from the United States and the United Kingdom, in view of their pioneering role and plethora of in-depth literature.

To set the scene, Chapter 3 provides background information about Malaysia's history, political system, and society, prior to explaining the development of PR and CSR in the country. In addition, the discussion underscores several key events and policies that have shaped and are actively shaping the development of PR and CSR in Malaysia.

Chapter 4 illustrates the research methodology which, among others, includes the research question, research paradigm, data collection procedures, analytical approach and analytical process adopted.

Data analysis is divided into three distinct chapters in view of a lengthy discussion accrued from a substantial amount of data used in the thesis. Accordingly, data analysis is covered in Chapter 5, 6 and 7. Analysis focuses on conceptualizing CSR in Malaysia, on the motives for pursuing CSR practice, and on PR's role in CSR respectively.

Finally, Chapter 8 addresses the concluding remark, which entails critical reflections of the major findings and implications of the thesis. It also provides recommendation for future research, some personal reflection on the thesis and its contribution to the literature.

CHAPTER 2 : LITERATURE REVIEW

This chapter aims to show the connection between PR and CSR by reviewing literature from a wide range of disciplines. Because of its complexity and multidisciplinary nature, a review of literature also aims to provide a comprehensive overview of the CSR concept. The chapter begins by encapsulating the unresolved issues of CSR that predominantly originated from its manifold and vague operational definitions and their implication towards CSR scholarship. Next, the chapter illustrates the interdisciplinary nature of CSR that has enriched its scholarly inquiry. It first traces the root of CSR scholarship in the management field prior to demonstrating how CSR is being conceptualized across other academic disciplines, namely: accounting, marketing, law, and PR. At this stage, considerable attention is given to the importance of communication, and PR's potential to enhance CSR practice in these multiple disciplines that is largely absent in the literature. The chapter continues to show how CSR overlaps with business ethics. This thesis argues that business ethics is a significant concept that covers a wide spectrum of managerial and business practice, and that it is viewed as problematic when used interchangeably with CSR. The chapter continues with an extensive illustration of how PR intertwines with the CSR concept, drawing from both functional and critical perspectives. Furthermore, the chapter also describes the early practice of CSR by industrial philanthropists, and its underlying motivation which drove the practice, followed by the development of the CSR concept in the literature. Chapter 1 has argued that the socio-economic, political and cultural landscape of a nation has greatly affected the development of CSR. Therefore, the final part of this chapter discusses the development of CSR in two nations: the United States

and the United Kingdom, in view of their pioneering role and plethora of in-depth literature.

2.1 Definition of CSR: A Quandary

The very first challenge for a researcher keen to explore CSR is tackling the diverse definitions of the term. Crowther (2008) asserted that CSR is one of the 'most debated management issues, with both academic and practitioners trying to give meaning to the concept and justify why corporations should adopt ethical and socially responsible behavior' (p.3). Scholars also argued that the lack of consensus on CSR's core construct caused the term to be classified as unfit as a theoretical construct or concept (Crane et al., 2008). In a similar vein, Windsor (2001) claimed that 'the absence of specific definition leaves responsibility open to conflicting interpretations' (p.227). Other alternative approaches in the literature used to justify socially responsible practices range from social justice, philanthropy, sustainable business, corporate citizenship and corporate responsiveness, to name a few.

By and large, scholars have not reached a unanimous conclusion on what it means for a corporation to be socially responsible (Carroll 2001). Such dilemma has prompted the term to be defined in numerous ways by scholars and business leaders. Frederick (1994) posited 'social betterment' as the core idea that is entrenched in the CSR concept, but yet failed to provide a clear description of what is meant by social betterment (Mahon & McGowan 2001). In the midst of conflicting opinion between neo-classical liberalists (e.g., Berle 1931; Levitt 1958; Friedman 1970) and the alternative view (e.g., Dodd 1932; Bowen 1953 in Windsor 2001; Sethi 1974), on

whether or not corporations have social responsibility, Carroll (1979) has developed a definition that somewhat balances economic and social obligations. This definition has been well accepted in the CSR literature. Carroll defined socially responsible firms are those that meet 'economic, legal, ethical and discretionary expectations that society has of organizations at a given point in time' (1979, p.500). Carroll (2001) cited economic obligation as the most fundamental duty for businesses without which other obligations (e.g. legal, ethical and philanthropic) become moot considerations (p.41). A standard definition of CSR seems hardly feasible as scholars continue to define CSR in many different ways. For example, marketing Guru Philip Kotler (2005) defined CSR as predominantly being businesses' voluntary obligation towards the community. He asserted CSR as:

'a commitment to improve community well-being through discretionary business practices and contributions of corporate resources.' (Kotler and Lee 2005, p.3)

On the contrary, Mallen Baker (n.d), the editor of the Business Respect email newsletter emphasized CSR as a business process rather than a separate philanthropic activity. He defined the notion as:

'CSR is about how companies manage the business processes to produce an overall positive impact on society.' (Baker n.d.)

The definition of CSR also varies among renowned organizations advancing CSR worldwide, such as the World Business Council for Sustainability Development (WBCSD) and CSR Asia. Despite their common goal to inspire corporations to contribute positively to various stakeholders within their business environment, WBCSD and CSR Asia continue to adhere to their respective definitions of CSR.

These definitions are as follows:

'a continuing commitment by business to behave ethically and contribute to the economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large' (World Business Council for Sustainable Development, n.d.)

CSR Asia defined CSR as:

'a company commitment to operating in an economically, socially and environmentally sustainable manner while balancing the interest of diverse stakeholders.' (CSR Asia, n.d.)

Early champions of CSR asserted that the search for a standard definition may not be necessary in view of its context-specific nature. Bowen (1953) intentionally avoided giving a specific definition, preferring to leave the matter to managers in accordance with concrete conditions. He advocated stakeholders' engagement as an effective means to identify the actual need of society when he stated that:

'My reluctance to attempt definitive formulation of the social responsibilities of businessmen has been based on a belief that the way to greater responsiveness of businessmen toward their social obligation lies in the processes of broadly based discussion and individual soulsearching on the part of actual participants – not in the spelling out of 'answers' by outside observers.' (Bowen 1953, p. xi cited in Windsor 2001, p. 227)

Whereas, Abt (1977) affirmed that, 'until the government further defines CSR through legislation and enforcement, it will have to remain a matter for industry and individual companies to define for themselves' (p.8).

It has been reported that the lack of agreement on concrete definition of CSR has implications not only for its practice, but also to its scholarly inquiry. Scholars have

acknowledged that such deficiency withholds theoretical, empirical development (Dunfee 2008; Okeye 2009) and undermines research quality (Pfeffer 1993 cited in Lockett et al. 2006). The absence of a standard definition of CSR has been identified as one of the unresolved key issues underpinning the concept of CSR (Frederick, 1994). Opponents of CSR argued that the concept is 'too vague to be useful' (Jones 1980, p.60). This lack of definition opened wide opportunities for other concepts to creep into business and society's related literature. Scholars proposed several new concepts i.e.: corporate responsiveness (Sethi 1975; Bauer & Ackerman 1976); and corporate social performance (Carroll 1979) as alternatives to CSR, all of which claimed to be more concrete and measurable in management thinking (Wartick & Cochran, 1985, p.759).

It is important to highlight that the absence of standard operational definitions has prompted scholars to justify the practice of CSR in multiple ways. Jones (1980) suggested that 'CSR ought not to be seen as a set of outcomes, but a process' (p.65). On this note, Jones (1980) strongly proposed the inclusion of stakeholders' input in the decision making process, claiming that this was central if responsible decisions were to be achieved. On the other hand, Porter & Kramer (2006) viewed CSR as a building block of corporations' competitive advantage. They encouraged corporations to only invest on social issues that intersect with their core business and yield substantial advantage to the organization. This approach is akin to the neo-classical liberalists who recommend the presence of a conspicuously self-interested reason for being philanthropic.

CSR remained as a contestable term; open to be challenged by anyone who wishes to contest the scope and application of any of its versions (Moon 2004). Adding

to this complexity is its dynamic nature which changes over time. Wartick & Cochran (1985) argued that the social responsibilities of business correspond to societal expectations in a given period of time, which constantly change as societal expectations changed. Apart from this, CSR practice has also transcended national boundaries which coincided with globalization. In this regard, there was a general consensus among scholars that CSR practice varies across nations in view of the unique socio-economic, political and cultural landscape of a country (Brussel 2008; Visser 2008; Frederick 2008). Frederick (2008) affirmed that 'each society and each business firm should find its own unique way of expressing and realizing CSR's core meaning' (p.528). Hence, the struggle towards a standard definition will continue to remain elusive.

2.2 CSR Across Disciplines

Corporate Social Responsibility (CSR) is an evolving concept that received attention across a broad range of disciplines (Hemingway & Mclagan 2004), for example: management; marketing; laws; accounting; and public relations (PR), to name but a few. The contribution from diverse disciplines has enriched CSR scholarly inquiry and prompted many terminologies which are used interchangeably with CSR such as: corporate responsibility; corporate citizenship; corporate social performance; social and environmental accounting; sustainable development; green marketing; triple bottom-line; and corporate governance among others.

Commenting on this multidisciplinary interest in the subject, Crane et al. (2008) argued that this phenomenon has widened the scope of CSR literature by drawing the

discussion from multiple theoretical perspectives, but with little effort made to generate agreement on its core construct. He stated that:

'This brings to the literature a diversity of theoretical perspectives, conceptual approaches and empirical traditions that does little to engender consensus around core concepts, but does much to enrich and enliven the debate.' (Crane *et al.* 2008, p.7)

The following discussion traces the root of CSR scholarship in the management field and demonstrates how CSR is being conceptualized across disciplines, namely: marketing; accounting; laws; and public relations (PR). The discussion subsequently highlights how PR could contribute to CSR in these respective disciplines. In order to develop the thesis, and in view of their importance, these academic domains have been selected to frame the study.

2.2.1 CSR: Special links with management

Scholars contended that the CSR concept stems from management literature based on a considerable number of CSR research published in mainstream management journals (Lockett *et al.* 2006; Crane *et al.* 2008). They also maintained that the immense development of CSR literature found in management journals could be by virtue of the substantial number of CSR researchers who are also educators in business and management schools (Crane *et al.* 2008). At present, scholars still identify CSR as a field of study within management rather than as a discipline (Lockett *et al.* 2006; Crane *et al.* 2008). Such a claim is made on the basis of CSR's strong reliance on other branches of knowledge for theories and methodological frameworks. Hence, it is hardly

Disciplines are conventionally understood as branches or departments of knowledge (Shorter Oxford English Dictionary on Historical Principles cited in Lockett et al., 2006, p.2) or claimed to have a distinctive theoretical and methodological approaches that would differentiate it with other discipline.

held as a distinctive body of knowledge on its own (Lockett *et al.* 2006; Chapple & Moon, 2007).

Early debates on CSR were merely responding to the abstract question of whether or not corporations should be socially responsible to other constituents besides shareholders (Berle & Means 1932; Levitt 1958). Furthermore, since then it has been observed that striking a balance between the economic and social goals has been a leading topic of discussion among management scholars and business leaders.

The social responsibility of business has caught the attention of management guru, Peter Drucker. In his seminal book *Management: tasks, responsibilities, and practices*, Drucker (1974) devoted a special section to 'social impact and social responsibilities' which, among other conclusions, emphasized the role of business as the 'keeper of society's conscience and the solver of society's problem' (p.261).

In the interim, the inclinations to embrace socially responsible practices among business leaders were clearly observed in a variety of literary publications. For example, Frank Abrams (1951), Chairman of Standard Oil of New Jersey, in an address, proclaimed that part of management's job is to meet the expectations of various groups that affect the business. He stated that:

'The job of management is to maintain an equitable and working balance among the claims of the various directly interested groups...stockholders, employees, customers and public at large.' (Abrams 1951 cited in Reich 1998, p.13)

George Perkins of US Steel acknowledged that 'the larger the corporation becomes, the greater becomes its responsibilities to the entire community' (Petit 1967, p.68 cited in Hoffman 2007, p.3).

It has been suggested that businesses' attention to public responsibility is relative to heightened awareness of the impact of business power upon society (Frederick 1960). Owen (2003) argued that managers have been under pressure on two fronts: to maximize shareholders value and to meet societal expectations in response to the demand imposed by external groups such as social and environmental movements, and society at large. To some extent, these demands have changed managers' approaches to managing business. Besides generating profit, managers have to be more instrumental in addressing stakeholders' needs. This is evident in Hemingway & Maclagan (2004) when they defined CSR as a process that requires 'managers to take responsibility for identifying and accommodating the interest of those affected by the organization's actions' (p.147). On the other hand, recent management discourse has conceptualized CSR as integral in business, and recommended that it should be embedded in business strategy rather than being detached from the core business practice (Porter & Kramer 2003). At this juncture, scholars exhorted that the debate about CSR is no longer about whether companies make a substantial commitment to CSR, but to consider how companies should be responsible (Reich 1998; Smith 2003).

Meeting stakeholders' needs and expectations in order to be socially responsible has received heightened attention in literature (Freeman 1984; Clarkson 1995; Donaldson & Preston 1995; Phillips 2006a, 2006b). In this case, management requires sufficient information from various sections of the public in order to anticipate issues

that affect them. This could only be accomplished through frequent communication with stakeholders and maintaining good relationships with them. Freeman (1984), in his seminal work Strategic management: a stakeholder approach, explicated the stakeholder management⁸ concept as a strategic way to put corporations back on the road to success (p.vi). He also recognized the role of PR in giving input to the development of strategic programs for stakeholders (p.215). This new approach has opened a wide opportunity for PR, which has a lot to offer, particularly in the area of communication and relationship management. Drawing from the functional perspective, PR would serve as a strategic resource that would help management to be more alert and responsive to stakeholders' need. Unfortunately, most CSR literature has been silent about PR's potential to facilitate the management of relationships with stakeholders, and the progression towards social responsibility. One major implication is that the efforts of business to identify and meet the needs of various stakeholders in the pursuit of CSR might fall short. At the same time, PR implicit role in CSR would make PR function in CSR remain negligible. This is largely contributed by lack of recognition given by management to PR profession. According to Moss, Warnaby and Newman (2000) management theories hardly give any recognition to PR's strategic role, despite their potential to contribute strategically in management planning, stating that:

'From a management perspective, PR has tended to be viewed as a largely functionary activity, concerned with projecting a favorable image for an organization, but with little, if any, involvement in more strategically important activities such as environmental scanning and analysis.' (Moss, Warnaby & Newman 2000, p.283)

⁸ Stakeholder management is a concept that refers to the necessity for an organization to manage the relationships with its specific stakeholders groups in an action-oriented way (Freeman 1984,p.53)

This argument depicted a clear tension between the normative presupposition of what PR should be doing, and what management perceived PR is capable of doing. Nevertheless, PR's ability to advise management in making balanced decisions by bringing stakeholders' perspectives into the boardroom through a boundary spanning role (see White & Dozier 1992) is largely contested by critical theorists (see Motion and Leitch, 1996; Berger 2005; Bardhan & Weaver 2011) which will be further elaborated in this chapter (see section 2.3.7). This critical perspective has inspired the development of this thesis, particularly in terms of its analytical approach.

2.2.2 CSR and Marketing

Previous studies have observed how CSR directly or indirectly shaped marketing practice. Maignan & Ferrell (2001) contended that early marketing research was largely looking at consumers' general attitude toward the environment, and their propensity to engage in environmentally friendly activities (p.3). Marketing research on consumer behavior (see Brown & Dacin 1997; Jones 1997; Maignan *et al.* 1999 cited in Maignan & Ferrell 2001) has generally revealed a favorable reaction to proactive corporate citizenship. Similarly, Smith (2008) argued that 'consumers do care about the issues of CSR which subsequently influence their purchases and consumption behavior' (p.283).

Ptacek & Salazar (1997) maintained that changes in attitude among customers has driven marketers to research new ways of making marketing increasingly relevant to society (cited in Bronn & Vrioni 2001). Since then, a new marketing strategy has been developed to accommodate new consumers' behavior in that it ties a product to a

social cause. This is known as caused related marketing (CRM). Thus, research on consumers' attitudes to, and expectation of, socially responsible issues, should be constantly implemented if business is to remain relevant. In practice, CRM as an effective marketing strategy was evident when American Express exceeded its marketing goal by tying its product with a good cause (Rifkind 1983 cited in Tilson & Vance 1985). Duncan & Moriaty (1997) asserted that CRM has a great potential in helping marketers to stay in tune with the mood of the public, as it is more sensitive, trustworthy and relevant to society (in Bronn & Vrioni 2001).

Communicating responsible practices is deemed vital for business success. However, communicating businesses' social performance remains one of the most neglected aspects of business management (Carroll 1981). In a marketing context, CRM has been employed in an attempt to communicate corporate social responsibility directly to the public (Bronn & Vrioni 2001). Malhotra (2008) argued that CRM activities can effectively enhance corporate reputation, raise brand awareness, increase customer loyalty, build sales, and increase press coverage. Furthermore, literature has increasingly conceptualized socially responsible behavior as an opportunity for marketing to develop the differentiation of an organization's brands and products in the market place. Maignan & Ferrell (2001) proposed that corporate citizenship may help organizations market themselves and their products to both external and internal customers. A preliminary study conducted by Jones, Comfort and Hillier (2005) disclosed interesting findings on how the top ten food retailers in the UK used CSR as a means of marketing, and to communicate with customers within stores. Their survey found that food retailers employed community issues rather than environmental issues to market specific products and enhance their company's brand.

Therefore, communicating a business's position on social issues which is at the core of PR function should never be underestimated. This initiative serves as a significant resource to enhance business competitiveness and reputation.

Nevertheless, scholars have recognized that consumers with a high level of skepticism would be less likely to respond positively to CSR activities (Mohr *et al.* 1998 in Bronn and Vrioni 2001). Therefore, Bronn and Vrioni (2001) proposed that marketers demonstrate a corporation's genuine attempts to pursue CRM activities by taking into account consumers' knowledge about the corporation's efforts in relation to CSR, and their level of cynicism towards it. This is in accord with Segran's (n.d) view on the importance of 'walking the talk', and recognizing such practice as a crucial element in sustainable marketing.

It is important to note that marketing efforts in relation to CSR are mostly driven by profit motives on the basis of a cost reduction approach (Lozada 2003), whilst CRM is used to build reputation and meet stakeholders' demands (Bronn & Vrioni 2001; Maignan & Ferrell 2001; Jones, Comfort & Hillier 2005) to remain competitive in the market place. At this juncture, the marketing discipline is inclined to view CSR as a tool to attract consumers relative to their growing concern over socially responsible actions. One possible implication is that other publics' interests and expectations would not be sufficiently addressed. This thesis is also keen to explore this possibility.

Another criticism holds that CSR activities are mostly confined to consumers/customers and employees (Maignan &Ferrell 2001). In a different account, Maignan and Ferrell (2004) have identified a plausible drawback with such a limitation

and strongly exhorted future research to include other stakeholders, in an attempt to accomplish organizational goals. They stated that:

'Marketer can contribute to the successful management of CSR by expanding their focus beyond consumers to include other stakeholders and by bundling together various social responsibility initiatives.' (Maignan & Ferrell 2004, p.3)

Therefore, marketing needs to work hand in hand with PR to identify other stakeholders that can be included in their CSR effort. Marketing guru, Philip Kotler recognized the value of doing good in society for the sake of doing well in business. In his book *Corporate social responsibility doing the most good for your company and your cause* (Kotler & Lee 2005), he thoroughly emphasized six initiatives ⁹ for managers to act on in order to be socially responsible. These initiatives include corporate philanthropy and community volunteering efforts which could be spearheaded by PR in view of its close engagement with society as a whole. However, PR's function and contribution was rarely mentioned in any of these initiatives.

2.2.3 CSR and Accounting

Accounting is regarded as a social construct that continues to transform and develop in parallel with societal change (Matthew 1993). The heightened awareness among corporations to make a difference in society has revealed several limitations in the traditional accounting edifice. Conventional accounting strictly involves financial reporting for shareholders. In other words, the interests of other stakeholders in society have been largely disregarded (Matthews 1993). The rise of social accounting implies the importance of communicating businesses' social performance to wider stakeholders.

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⁹ The six initiatives include cause promotions, cause related marketing, corporate social marketing, corporate philanthropy, community volunteering and socially responsible business practice (Kotler & Lee 2005, p.23-24)

Crane & Matten (2007) outlined four compelling reasons for corporations to engage in social accounting which include: increased pressure imposed by internal and external stakeholders to encourage corporations to be more socially responsible; the need to implement a social audit to scan problems and potential risks that could harm business; improved stakeholder management; and enhanced accountability and transparency by providing a clear report on social performance. Unlike traditional mainstream accounting, social accounting, also known as environmental accounting, aims to communicate the social and environmental impacts derived from corporations' activities. Gray, Owen and Maunders (1987) defined social and environmental accounting as:

"...the process of communicating the social and environmental effects of organizations' economic actions to particular interest groups within society and society at large. As such it involves extending the accountability of organizations (particularly companies) beyond the traditional role of providing a financial account to the owner of the capital, in particular the shareholders. Such extension is predicated upon the assumption that companies do have wider responsibilities than simply to make money for their shareholders." (p.ix)

Since Gray, Owen and Mounders report in 1987, there has been a growing interest in corporate social reporting found in the literature which emerged under different titles such as: social disclosure; social accounting; and corporate environmental accounting (see examples, Gray, Owen and Mauders 1988; Matthews 1997; Dey 2007). In the interim, there has been tremendous support rendered by accounting associations such as the Association of Chartered Certified Accountants (ACCA). ACCA has developed a reporting framework to guide accountants and their organizations in integrating sustainability within company reports. In addition, the

'Sustainable Reporting Award' has been initiated by ACCA to further reward corporations for their efforts in sustainability disclosure.

On the other hand, research has indicated several reasons that impede the advancement of social reporting. According to Crane & Matten (2007), such a setback was predominantly attributed to: 'perceived high cost; insufficient information; inadequate information systems; lack of standards; secrecy; and unwillingness to disclose confidential data' (p.198). In addition, Zulkifli & Amran's (2006) exploratory study on corporate social reporting in Malaysia found that the level of awareness and understanding of social reporting has remained low among accountants by virtue of it not being part of their job. A recent study by Amran (2006) illustrated that corporate social reporting in Malaysia was largely handled by corporate communications or PR departments (cited in Zulkifli & Amran 2006, p. 111). Nonetheless, at this juncture, no effort has been made to investigate the function of PR in pursuing CSR practice, or to include the reporting initiative.

In academic spheres, a scholarly discourse on social accounting has spurred the arrival of credible international journals in 1980s such as: *Journal of Accounting and Public Policy* (1982); *Accounting, Auditing and Accountability Journal* (1988); *Critical Perspectives in Accounting* (1990) (Matthews 1997, p. 484). These journals have continued to link accounting both as a concept and a practice to a wide array of issues such as: ethics; human behavior; organizational structure; corporate governance; accountability; public interest; and CSR.

However, it is interesting to note that some environmental and social reporting initiatives are reactive rather than proactive. Patten (1992) has observed increased voluntary environmental disclosures by oil companies after the Exxon Valdes oil spill (cited in Joseph 2007, p. 53). In most occasions, such voluntary reporting was initiated to enhance corporate legitimacy (Matthews 1993), rather than driven by a genuine act of accountability. Nevertheless, nothing has been mentioned about the role of social /environmental accounting, beyond disclosing non-financial issues. Matthews (1997) has acknowledged this deficiency when he affirmed that in social accounting 'attention is devoted to reporting what is disclosed rather than making changes to the underlying system' (p.500). This signifies that management is yet to attach sufficient importance to the impact of their social performance. One way of filling this void is to measure the extent to which social investment yielded a positive impact to business and its intended recipients. Evaluating social performance would necessitate the active participation of PR.

2.2.4 CSR and the law

This thesis argues that CSR is connected to issues of morality and social justice (see section 2.4), and these theoretical principles also affect the law. The demarcation between law and CSR is that the former refers to formal regulation whereas the latter is based on voluntary initiative. However, some tend to undertake CSR as a means of preventing legal regulation or to cover up corporate misdemeanor.

The neoliberal economist such as Friedman (1970) recognized adherence to the laws as the part of firms' responsibility along with maximizing profits. Friedman made

this apparent in his article 'The social responsibility of business is to increase its profits' when he asserted:

'In a free-enterprise, private-property system, a corporate executive is an employee of the owners of the business. That responsibility is to conduct the business in accordance with their desires, which generally will be to make as much money as possible while conforming to the basic rules of the society, both those embodied in law and those embodied in ethical custom.' (Friedman 1970)

This view was consistent with Paine's (1994a in Hess 2006) 'correspondence view' of law and ethics. Those who embraced this view uphold to the idea that 'if it's legal, it's ethical (in Hess 2006, p.155). This legal-driven framework has been criticized for its simplicity. It is important to note that ethical practice and legality do not necessary coincide (McDonald 2007). In this context, Hess (2006) argued that laws have been insufficient condition to achieve societal objectives when he stated that:

'Many areas of corporate behavior are simply beyond the ability of the law to control thus emphasizes on ethical decision-making to achieve societal objectives.' (p. 154)

However, attention to ethical issues does not receive considerable weight among corporations. Drawing from the 'separate realm view' (Paine 1994a in Hess 2006, p. 155) some organizations treated laws and ethics as two separate matters in which the latter presumes to be optional, personal and voluntary. The term CSR is sometimes used interchangeably with ethical practices thus, leading to more confusion. The relationships between CSR and ethics will be further addressed later in this section (see section 2.4).

Laws have been traditionally used by the government to control managerial behavior (Hess 2006). It has been affirmed that legal penalties are deemed effective in 'forcing managers to undertake CSR activities' (Saxe 1990 in Shum & Yam 2011, p. 555). This approach has been adopted based on the assumption that 'firms are rational profit maximizers that will violate law whenever it is in their best interest to do so' (Hess 2006, p. 158). Similarly, Shum & Yam (2011) affirmed laws as one of the main driver that would force business to embrace responsible practices in Malaysia. Their empirical work revealed that without legal enforcement business would slow to adopt responsible practices. Malaysian government has introduced relevant legislations and requirements in various areas, i.e., environmental management, health hazard products, product safety, anti-corruption, human rights, discrimination against disabled, drug abuse and social well-being (Lu & Castka 2009; R Sumiani et. al. 2007; Rashid & Ibrahim 2002 in Shum & Yam 2011, p. 557) to reinforce socially responsible practices among business and individuals. At the same time, the government has reviewed and amended several acts/legislation to further promote transparency and integrity of business for example the Companies Act 1965, the Security Industry Act 1983, the Security Commission Act 1993, the Banking and Financial Act 1989 and Bursa Malaysia Securities Listing Rules (Najib 2006).

On the other hand, in some cases business would undertake CSR as a strategy to avoid regulations. According to Corporate Watch online discussion, business argued that regulations would neither support innovation nor promote best practices (see Corporate Watch, n.d.). The discussion also mentioned about the lobbying effort carried out by the World Business Council on Sustainability Development (WBCSD) to influence legislation. Together with ICC (International Chamber of Commerce),

WBCSD had launched Business Action for Sustainable Development (BASD) to resist binding international regulation through promotion of voluntary mechanism (Corporate Watch n.d.). Despite being successful in this attempt debate on organizations capability to self-govern further escalates. For example, Joel Bakan (2003) in his documentary coined a corporation is a psychopath¹⁰ (see The Corporation 2003) that is making profit at the expense of others. Enron Corporation was a clear example of a company that had been successful in projecting a responsible corporate image through its social and environmental programmes and reporting despite its financial misrepresentations (Baker 2007). This thesis argues that CSR should involved real change in terms of organizational policies and actions. It should not appear as a means to divert publics' attention from legal issues or simply a cover up attempt to conceal misconducts.

In a different perspective, the rise of CSR serves to transform the development of the legal aspect. Brodie (2010) affirmed that enterprise liability has impacted both statutory and common law rules (p. 1) which includes product liability, workmen's compensation and recently vicarious liability. In the same vein, heightened attention to corporate social responsibility has transformed employment relationships which give greater recognition to employees' interests. Brodie (2010) affirmed that traditionally the common law has disregarded the imbalance of power which is the hallmark of employment relations (p.165). However, recent development in employment contract promotes the dignity of employees and treated them with respect (Brodie 2010).

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¹⁰ a person who has no feeling of other people, does not think about the future, does not feel bad about anything that they have done in the past (The Corporation 2003)

It has been observed that human rights and environment have becoming core issues of business. These CSR related issues are inevitably intertwined with legal aspect i.e., Exxon Valdez, Nike, Ogoni crisis to name a few. This development could impose implication to PR profession particularly when legal practitioners started to pervade the field. Pitts III (2008) has elaborated on this possibility when he asserted that:

'Entire new legal careers are arising as a result of these developments. Lawyers are filling such positions as CSR vice-presidents and directors, public affairs and communications officials, compliance officers, business ethics professionals, supply chain management heads, sourcing chiefs and employees, and CSR consultants, among others, where they help implement CSR programs.' (p. 484)

This encroachment would make the role of PR continue to be marginalized in the realm of CSR. Such phenomenon occurred when organizations treated compliance to the law as the only responsibility of business while business impact on society and other social issues were perceived as irrelevant that is akin to Friedmanite's way of thinking. This practice of doing good is limited to binding rules rather than looking into the actual need of society.

2.3 Public Relations and CSR

In this section, I show the connection and relationship between PR and CSR. There has been a considerable amount of literature explaining how PR could contribute to the practice of CSR in an organization. L'Etang (2006) asserted that 'CSR falls within the portfolio of PR because it affects a company's image and reputation' (p.414). At the same time, it has been observed that PR and CSR shared similar goals and processes (Clark 2000) and are just an invention of PR (Frakental 2001). Daugherty

(2001) affirmed that 'public relations practitioners are instrumental in helping corporations to be socially responsible' (p.394), whereas some even asserted that 'ethical management focus public relations leaders are capable to take purview of CSR' (Freitag 2007, p.40). A recent study has continued to suggest significant PR role in CSR practice (see Kim & Reber 2008). However, there is still very little empirical evidence found in the literature with regard to PR's role in CSR. This thesis aims to fill this void by gaining insight from PR practitioners on their function in CSR. The following discussion first introduces two paradigms that have largely shaped and advanced PR research and practice; the dominant paradigm (functional) and the critical paradigm. It later illustrates how PR core functions intersect with CSR and its huge potential to advance the responsible practices. The last part of this section will provide a critical analysis of the ways that PR can facilitate or impede the genuine objectives of CSR.

2.3.1 PR: Dominant versus critical paradigm

At the outset, PR was largely engineered by U.S. scholars who portrayed the PR concept and its practice from the functional perspective, also known as the dominant paradigm. Grunig & Hunt (1984) claimed to be the first to define the four typical ways in which PR is practiced – four models of PR (Grunig & Grunig 1992, p. 285). The four models of PR composed of the press agentry, public information, two-way asymmetrical and two way symmetrical models (Grunig & Hunt 1984). The functional perspectives hold the idea that excellent PR serves the interest of the organisation it serves and society concurrently (Grunig & Hunt 1984; Grunig 1992; Cutlip, Center & Broom 2000, 2006). In these terms, the two-way symmetrical model has been theorised as the most ethical approach to PR and subsequently represents as an excellent model of

PR practice that enhances organizational effectiveness (see Grunig & Hunt 1984; Grunig & Grunig 1992; Grunig 2001; Cutlip, Center & Broom 2006). On the other hand, Grunig (2001) has repeatedly affirmed that the symmetrical model actually serves the interests of the organization better than an asymmetrical model because 'organizations get more of what they want when they give up some of what they want' (p.13). The underlying strategy of symmetrical practice based on this argument is to acquire a better deal from organization's stakeholders thus engender asymmetrical result.

This influential paradigm 'is based on system theory, combines functionalism with normative theory 11, and has produced a great deal of quantitative research' (L'Etang 2009, p.613). In addition, the functional perspective of PR has been dominant in both PR journals and text books, and consequently has become a broadly accepted paradigm for PR worldwide. Bardhan & Weaver (2011) described this single dominance of PR scholarship as a form of 'epistemic imperialism' that restrains local meaning and realities (p.6) from emerging. In recent years, more perspectives are developing within the dominant paradigm, such as: relational (Ledingham & Bruning 1998, 2000; Ledingham 2003); rhetorical (Elwood 1995; Heath 2000; Heath 2001; Heath 2009); communitarian (Kruckeberg & Starck 1988); with the exception of critical perspectives (Elwood 1995; L'Etang & Pieczka 1996, 2006; Motion & Leitch 1996; Motion & Weaver 2005; Roper 2005; L'Etang 2008; Edwards 2009, 2011) all of which signify the maturity of the PR discipline. Ihlen & Ruler (2007) strongly support the notion of a multi-paradigmatic approach for PR.

 $^{^{11}}$ A normative theory defines how things should be and how some activity should be carried out (Grunig & Grunig 1992, p. 291)

They stated that:

'Every PR researcher has his or her own deontological background and disciplinary roots. These provide particular perspectives. Consequently, methodological roots heavily influence one's perspective on what PR is, how it works and how it should be researched.' (Ihlen and Ruler 2007, p.244)

The critical work which originated from the Frankfurt School in the 1920s and 1930s aimed to illustrate the transformatory process in society (L'Etang 2005) and challenge the dominant paradigm. In the realm of PR, 'resistance to the dominant paradigm emerged in the 1990s' (Elwood 1995; L'Etang & Pieczka 1996; Motion & Leitch 1996 in L'Etang 2008, p. 253). The proponents of the critical view strongly reckoned that an alternative perspective would enrich the PR discipline, based on the argument that 'there are other ways of exploring and understanding PR practice' (L'Etang 2008, p.11). Pieczka (1996, 2006) maintained that too much attention given to one paradigm would undermine the importance of another. She encapsulated this in the following:

'The lesson that can be drawn from the debate about paradigms is that ignoring such broad philosophical considerations leads to privileging one point of view over another.....The lack of critical work in public relations compounds the problem, as the lack of challenge leads to the development of a somewhat confused or hybrid form of system theory achieving the status of ideology within public relations canon' (Pieczka 1996, p. 156 and 2006, p.357).

Unlike the functional views, critical theorists recognized that power relation is potentially present in every aspect of PR practice (Motion & Leitch 1996; Edward 2009). On this note, critical scholars affirmed that PR practitioners work to privilege particular interests predominantly those with resources and capital i.e., organizations, governments, the elite or dominant coalition and capitalism (Motion & Weaver 2005;

Edwards 2009, 2011; Bardhan & Weaver 2011). In these terms, Bardhan & Weaver (2011) asserted that critical theorists are keen to expose 'how PR may support and contribute to systems of oppression, and additionally how its role in such oppression can be obscured by normative theories of practice' (p. 15). This way of thinking has impacted the thesis in terms of its analytical approach, particularly in examining the role of PR in pursuing CSR practice in Malaysia.

Drawing from the dominant paradigm, the following discussion elucidates how PR core functions such as: relationship management; issues management; reputation management; ethical practice; and rhetoric intersected with the practice of CSR. The discussion highlights the substantial potential of PR in spearheading the socially responsible practices through these core functions and common critiques found in the literature. The following section continues to elaborate on the critical perspectives of PR and its opposition to functionalist's approach particularly those that advance socially responsible actions (see section 2.3.7).

2.3.2 PR: Advancing socially responsible practice through relationship management

In the late 1990s, attention turned to the organizational benefits of relationship management. The relationship management perspective, also known as relational perspective, was largely advanced by Ledingham & Bruning (1998, 2000). The central assumption is that 'PR balances the interests of organizations and the public through the management of organization-public relationships' (Ledingham 2003, p.181). Scholars also affirmed that heightened attention to the relational approach has gradually transformed PR from its 'traditional communication functions to management function

that utilizes communication strategically' (Ledingham & Bruning 1998 p.56). In this regard, the relational perspective aims to demonstrate the value of PR, not only to a sponsoring organization, but also to the immediate community, and the larger societal and global environment (Ledingham & Bruning 2000, p.xiv). In other words, the relational approach is a product of functional perspective that theorized PR adds value when it promotes mutual interests and uses symmetrical model to develop relationships with strategic publics (Grunig 2006).

Similarly, marketing has also capitalized on the relational concept. Adopting the organization-relationship concept of PR, transactional marketing approach has eventually metamorphosed into relationship-driven marketing. Relationship marketing strives to accomplish a mutual understanding and long-term relationship with customers to secure their long-term loyalty. The nature of marketing has changed as it has gone from mass marketing to highly targeted and personalized marketing (Jahansoozi 2006, p.68) that perceived as more cost-effective and sustainable. Rust, Moorman & Bhalla (2010) further emphasized the need for customer—driven managers over product-driven managers to accompany such change. They stated that:

'What's needed is customer managers who engage individual customers or narrow segments in two-way communications, building long-term relationships by promoting whichever of the company's products the customer would value most at any given time.' (Rust, Moorman & Bhalla 2010, p.96)

In recent studies, Phillips (2006a) argued that relationships are the key to unlocking all other corporate value ¹² (p.37) that opens the door to new a form of corporate wealth. In this respect, Phillips (2006b) argued that 'the challenge for

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¹² Organizations assets that go beyond physical resources that include intellectual property, process, know-how, knowledge and brand attributes (Phillips 2006a,p.35)

communication managers is to understand how they could contribute to the process of wealth creation' (p.213). This way of thinking has presented both a challenge and an opportunity for PR professionals to capitalize on benefits from their relational function that could further accomplish organizational goals, while serving the public interest. On this note, PR's contribution in generating wealth will remain controversial unless PR takes an impartial stance, rather than merely promoting the interest of powerful actors i.e. corporations or government.

Advocates of relational practice have been reiterating the value of relationships in advancing the socially responsible behavior of business. Waddock & Smith (2000) maintained that a good corporate citizen is built through a positive relationship with stakeholders that typically thrive under the conditions of fairness, openness and honest engagement in dialogical processes to ensure mutual interests are considered (p.50). Nonetheless, they did acknowledge that not everyone's interest can be sufficiently met in this context. Jahansoozi (2006a) affirmed that organization-stakeholder relationships illustrated the importance for organizations 'to understand, listen, and develop a dialogue with their important stakeholders' (p. 942). Her empirical work found transparency as a critical relational component of rebuilding trust in business-society relationships (Jahansoozi 2006, 2006a, 2007). She further argued that 'rebuilding trust requires transparency as publics need 'evidence' that the organization is doing what it claims to be' (Jahansoozi 2007, p.400). In this case, greater transparency is required by the public and stakeholders subsequent to a crisis which includes corporate malpractices (Jahansoozi 2006). In this case, PR role in communicating corporate actions including CSR initiatives is viewed imperative to enhance transparency and ultimately regenerate trust with stakeholders.

In recent years, relationships between organizations and society have gained prominence in socially responsible practices, as business begins to be more responsive to pressures emanating from a social-political-governmental environment (see Frederick 2006). The implication of a social responsive approach has forced management to give greater emphasis to environmental scanning to anticipate emerging issues in which PR has a significant role to play. The social responsiveness concept overlaps with the function of PR in issues management function, which is further illustrated in the next section.

2.3.3 PR: Promoting proactive CSR through issues management function

Issues management arose from the need for private business to protect itself against public criticism and legislation (Heath 1997 in Gillions 2009, p. 365), which underscores the importance of proactive PR.

PR's ability to anticipate issues that are most likely to inflict negative consequences on business would put PR in a strategic position to contribute to managerial decision making (Lattimore *et al.* 2004). In the earlier account, Chase (1976) termed issues management as the 'process of closing the gap between corporate action and stakeholder expectation' (cited in Cutlip *et al.* 2006 p.19). Burson (1974) stated that, 'the public demand not only that corporations be responsive, but that they respond immediately' (p.228). Such demand has changed firms' commitment to CSR from a reactive, ad-hoc program i.e., as a means to respond to a crisis, to becoming proactive and assembling a continuous course of action, i.e. a community relations

program. In his seminal work *Strategic issues management*, Heath (1997) proposed integrating issues management into corporate strategic planning as one of the initiatives to maintain responsible business performance (p.121). This implies that issues management directly intersects with CSR at a strategic level, as asserted by L'Etang (2006) who states that:

'Issues management is linked to CSR at a strategic level because emerging issues are often of a social nature, to which organizations may need to respond either through issues advocacy advertising, PR campaigns, or programmes of CSR.' (p.409)

In this context, PR's ability to identify social issues and concerns could help business to take a proactive, rather than a reactive approach to doing good in society.

2.3.4 PR and ethical practice

Scholars strongly exhort the importance of ethics in PR. Bowen (2008) affirmed that PR's core function is 'to help an organization to be accountable for its behaviour' (p.272). This is reminiscent of some early thoughts on PR and ethics forwarded by the scholar Raymond Miller (1945) when he described PR practitioners as the 'keepers of corporate conscience' in the first volume of *Public Relations Journal* (1945). In his article Miller (1945) argued that a corporation will always be regarded as an artificial intangible person that must be guided by PR professionals. He asserted that this guardianship role was imperative to prevent corporate misconducts and ultimately increase contribution to general welfare (Miller 1945). Similarly, contemporary scholars (for example, Ryan and Martinson 1983; Wright 1985; Bowen 2000; Bowen and Heath 2003 cited in Bowen 2008), recognised the same function of PR when they argued that 'public relations professionals should act as ethical counsel to their chief

executives and organizational decision makers' (p.271). On the other hand, L'Etang (2003) affirmed that the claim to the status of PR as the 'ethical guardian' of a corporation is often propagated by those who aim to seek the legitimacy of the PR profession. She largely challenged the idea of PR's ability to handle ethical issues, which is paradoxical with PR's poor reputation. L'Etang (2003) states that:

'A fundamental problem for PR is not simply that some have suggested that PR should claim the ambitious role of 'ethical guardian' or 'corporate conscience' (usually when referring to CSR or business ethics) but that PR itself is seen as morally dubious.' (p.61)

This contention served as a reminder for PR professionals to observe their ethical conduct in order to maintain the credibility of the profession. In a more recent publication, L'Etang (2008) affirmed that the 'occupation of PR is necessarily challenged because it is situated at centers of power, seeks to influence decision making and is unregulated' (p.31). In other words, the power to influence ought to be accompanied by an equivalent amount responsibility and high ethical standard.

There has been an increasing attempt to legitimate PR practice by the functionalists who have contributed to the development of normative theories i.e., a two-way symmetrical model that emphasised how PR activity should be carried out in order to be ethical and effective (Grunig & Grunig 1992). According to Grunig & Hunt (1984) a two-way symmetrical model emphasises balanced communication efforts by way of dialogue to achieve mutual understanding. A two-way symmetrical model puts PR in an ideal position to promote the mutual interests of various stakeholders, alongside the organization's interest. In this context, PR is viewed as being capable of including the publics' point of view. This is perceived to be vital in the process of pursuing responsible decisions, including CSR (see Jones 1980). Practitioners who

embraced the two-way symmetrical model are more likely to acquire a seat in the boardroom thus have access to power as affirmed by Grunig & Grunig (1989), when they proclaimed:

'Practitioners with the knowledge, training, and experience to practice a two-way model of public relations are more likely to be included in the organization's dominant coalition. They also are more likely to have power in that coalition rather than to serve it in an advisory role. When public relations have power in the dominant coalition, they can influence organizational ideology and the choice of the environment for which strategic public relations programmes are planned. At that point, public relations practitioners can undertake communication counseling, a management role and truly practice the profession defined for them in public relations textbooks but seldom fulfilled in the real world' (in Cutlip, Center & Broom 2006, p. 189).

The power-control perspective typically affirmed individuals to obtain power by virtue of their position in the organizational hierarchy (Lauzen & Dozier 1992). Lauzen & Dozier (1992) on the other hand claimed that top PR practitioners become powerful through 'the control of scarce and valued resources and through close liaisons with the members of the dominant coalition' (p.207). They argued that control of scarce resources enabled PR to provide skills, products, advice that no other department can provide thus decreases substitutability. On the contrary, Berger (2005) argued that being in the dominant coalition may not ensure PR fulfills the interest of the larger society. He identified power relations as a factor that impedes practitioners from pursuing the publics' interests.

Berger (2005) states that:

'There is no guarantee that managers who make it into inner circles will either be able to or want to do the "right" thing. Some will find themselves seriously constrained in their attempts due to existing power relations and organizational structures and practices. Others may be perfectly content inside the inner circle to serve only themselves or their organizations' (p.24).

However, the functionalists affirmed that 'PR fulfills its social responsibility to promote human welfare by helping organization adapts to its changing needs and environment' (Cutlip, Center & Broom 2006, 147). In their earlier account, Cutlip, Center & Broom (2000) introduced a system theory in response to increasing pressure and dynamic changes occurring in the environment. Systems theory explains that an organisation exists as a system mutually interdependent with its environment (Luhmann 1984 cited in Bowen 2008, p.273) and constantly strives to adjust and adapt to changes that are imposed by other systems that co-exist within the environment. Likewise, as a unit within a system, PR is expected to work together with other systems to help organisations achieve their homeostasis 13 state (see Morgan 2006). In this regard, PR is identified as an 'adaptive sub-system' (Cutlip, Center & Broom 2006) that provides information to other sub-systems within the organisation to adjust and adapt to social issues and needs through its environmental monitoring activities. However, the degree to which an organisation responds to change varies. Advocates of system theory have exhorted that organisations that are responsive to environmental changes i.e. have an open system approach, are most likely to last in a dynamic environment and most likely to discharge its social responsibility by being responsive to society. Drawing from this view, PR is perceived to be capable of offering advice on public issues and expectations and consequently help corporations to design CSR initiatives that conform to societal

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¹³ Self-regulating process and the ability to maintain a steady state (Morgan 2006, p.40)

needs. In this context, PR practitioners enacted a boundary spanner¹⁴ role where they interact with other systems within the environment particularly with organization's strategic publics in order to trace changes, pressures and issues that include unfavorable opinion and image hold by the publics towards the organization. The open system framework enables PR practitioners to initiate proactive CSR programmes.

On the other hand, critical theorists criticized the system-based framework as idealistic. This includes the naïve 'belief' that society exists around the equilibrium of consensus (Pieczka 2006, p. 356) and that it fails to consider the unequal nature of power relations between those who have the financial ability to pay for PR initiatives, and the audiences of those initiatives (in Bardhan & Weaver 2011, p.15). This critical views will be further explained in the following section (see 2.3.7)

2.3.5 PR: Enlightened self-interest through reputation building

Corporate reputation refers to the perception of collective constituents towards an organization (Argenti & Druckenmiller 2004). It has been broadly accepted that reputation is a significant organisational asset which has equivalent value to other commodities. Fombrun (1996) highlighted the importance of a positive reputation for contemporary organisations' survival when he argued that 'reputational capital is a form of intangible wealth that closely related to what accountants call 'goodwill' and marketers term 'brand equity' (p.11). Hence, a good reputation serves as a competitive factor for a company, whilst at the same time poses the biggest risk to a firm's market value if it is not perceived well by the key constituents (Forstmoser and Herger 2006).

PR takes on this role when they connect the organization/client with society as a whole (Coombs & Holladay 2007, p.35)

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Scholars have affirmed that corporate reputation is constructed by the public based on information available to them from a wide array of communication activities, events, issues, relationships and experiences with the company (see Fombrun & Shanley 1990; L'Etang 2008).

Fombrun (1996) suggested that reputation building is a form of enlightened self interest which brings value to business through a strong relationship not only with customers but also with other key constituents, by meeting their needs and expectations and subsequently generating trust. This parallels with a working definition of PR which is found in Lattimore *et.al* (2006):

'PR practitioners communicate with all relevant internal and external publics to develop positive relationships and to create consistency between organizational goals and societal expectations. PR practitioners develop, execute, and evaluate organizational programs that promote the exchange of influence and understanding among an organization's constituent's parts and publics' (p.5).

This definition underscores the function of PR in serving multiple publics' interests to engender their continuous support towards an organisation. This is largely achieved through constant communications and evaluation exercises. By the same token, PR also helps an organisation to meet the expectations of its constituents and that includes CSR initiatives. In this context, PR's strategic attempts to bridge the gap between organizational goal and societal expectations create mutual interests and subsequently contribute to a positive reputation. This thesis is keen to explore the role of PR in CSR that may include building a corporate reputation and to address on its implication to business and stakeholders.

CSR is often viewed as part of PR strategy. L'Etang (2006) has made explicit how PR has capitalised on the benefits of CSR. She states that:

'Corporate social responsibility is often managed by public relations practitioners for public relations ends, and therefore corporate social responsibility is seen as part of the public relations portfolio and as a technique to establish relations with particular groups (for example, in the local community) and to enhance reputation with key stakeholders.' (L'Etang 2006, p.414)

L'Etang (2006) affirmed that CSR often falls within the PR portfolio because it affects a company's image and reputation (p. 414). It is worth to note that corporate image and corporate reputation are interrelated concepts that sometimes hard to discern. L'Etang (2008) affirmed that the terms image and reputation are sometimes used interchangeably in the literature despite not sharing a similar definition. This thesis treats the term image and reputation interchangeably as these two terms were loosely defined in most academic literature.

Scholars concurred that CSR serves as a contributing factor to enhance corporate reputation (see Fombrun 1996; Lewis 2003). Maignan & Ferrell (2004) stressed on the importance of communicating CSR to stakeholders as a platform to establish relationships and enhancing distinctive corporate reputation. Drawing from this perspective it could be argued that all CSR effort ought to be communicated effectively to organizational constituents to develop a positive corporate image. Carroll (1981) asserted that a deficiency in communicating a business's social performance could lead to a distorted public view of the organization (p.390) despite its significant role in pursuing social good. According to Signitzer & Prexl (2008), PR professionals have the necessary qualifications to communicate CSR issues effectively to enhance corporate image.

Nonetheless, communicating the social performance of a business is not without consequences. Ashforth & Gibbs (1990), in their discourse about an organisation's legitimacy¹⁵, argued that corporations that suffered from low legitimacy¹⁶ were more likely to promote their social performance. Legitimacy in this case may be largely pursued through symbolic rather than substantive management. Symbolic management does not involve real change to an organisation's structure, goals or processes, nor does it seek to conform to constituents' values and expectations. It is simply an attempt to portray or 'symbolically manage actions so as to appear consistent with social values and expectations' (Ashforth & Gibbs 1990, p. 180). They further present a typology of ways used by organizations to secure legitimacy that often produce a counterproductive result. This includes 'the over acting actor' (Ashforth & Gibbs 1990, p. 190) that depicted management action in making overstatement, exaggerated or inflammatory claims to defend organization's legitimacy. They reasoned that such action is more likely to occur partly because organization has less substantive legitimacy to rely on. Drawing from the self-promoter paradox, both Ashforth & Gibbs (1990) argued that the publics are not passive constituents in a legitimacy process and that they tend to be more skeptical towards business's explicit attempts to defend legitimacy particularly when organization's reputation is problematic. This includes management overpromotion of business's social performance. In addition, Ashforth & Gibbs (1990) identify culture as one dimension that affects organization's capability towards legitimacy attempts. Therefore, it is important for PR to identify key issues that are related to communicating the CSR practices that could further strengthen or weaken a

¹⁵ A legitimate organization is one that is perceived to be pursuing socially acceptable goals in a socially acceptable manner

⁽Ashforth & Gibbs 1990, p. 177)

16 Low legitimacy organizations include those that are attempting to extend their legitimacy or defend it against a severe challenge (Ashforth & Gibbs 1990, p. 189)

corporate reputation. At the same time, the influence of culture in PR practices particularly in promoting the practice of CSR will be further explored in this thesis.

2.3.6 PR and rhetorical practice

The art of persuasion, which is inherently found in the modern custom of PR practice, is often linked to the rhetorical activities used by ancient Greek and Roman statesmen to influence public opinion (see Grunig & Hunt 1984). Grunig & Hunt (1984) defined rhetoric as 'the art of oratory, especially the persuasive use of language to influence the thought and actions of listeners' (p. 15). Persuasion has always been at the heart of PR practice, as most of its related activities, i.e. lobbying, media relations, investor relations, and public affairs, aim to persuade specific sectors of the public towards an idea or action in order to achieve organisations' intended outcome.

L'Etang (1996) asserted that PR is the 'organizational rhetor' (p. 106). Despite its positive potential to advance enlightened self interest, she had raised concern over the misuse of one's rhetorical power to deceive others (L'Etang 1996, 2006). Heath (2001) has pointed out similar concerns when he cautioned about the usage of hollow words by persons who neither have real commitment to truth nor the intention to help stakeholders make informed and ethical decisions during the rhetorical process. This statement serves as a strong rebuke to organizational rhetors to embrace ethical practice, despite its ultimate function to advocate organizational interest. Furthermore, Heath (2000, 2001), in his argument, has signified a strong rejection of one-sided rhetorical practice that merely promotes a single dominant idea or voice in the public sphere. He exhorted that decision making ought to be made through a process of

dialogue, where ideas that ultimately add value to societal development can be contested and reconsidered. This rhetorical framework offers PR with a vast potential to spearhead CSR practice that would generate mutual interests to multiple stakeholders. Heath (2000) illustrated dialogic communication as a natural process in rhetorical dialogue through 'advocacy and counter advocacy' when he explained:

'By the process of advocacy and counter advocacy, people decide values they want to use to shape, enact and enforce the integrity of their community. In this way, the rhetoric of PR add growth, development and refinement of the values by which society operates.' (p.71)

In his recent argument, Heath (2009) affirmed that dialogue empowers people as they engage in the decision making process, thus make rhetoric ethical. He stated that:

'Rhetoric is ethical because it empowers participants to engage in dialogue, private or public. It confronts choice between having ideas, opinions, and actions 'engineered' through propaganda or having them forged through the collective contest of ideas' (p.23)

In the interim, Heath (2000, 2009) has also acknowledged the critical perspectives express concerns over the power imbalance that is inherent in rhetorical dialogue. The critical views argued that those with greater power occupy a better position to prevail in a relationship (see L'Etang 1994, 1995, 1996, 2006; Motion & Leitch 1996; Berger 2005; Edwards 2009; Bardhan and Weaver 2011). It has been highlighted that the rhetorical approach is framed within the system framework (L'Etang 2006). In this context, both organization and publics involved in rhetorical dialogue are treated as if they have equal access to power and resources (see Leitch & Neilson 2001) that largely viewed problematic by critical scholars. In this regards, dialogue is akin to symmetrical practice that largely promotes mutual relationships thus claimed to represent an ethical practice (Grunig & Grunig 1992). However, Kent &

Taylor (2002) affirmed that dialogue cannot guarantee ethical PR outcomes, 'but does increase the likelihood that publics and organizations will better understand each other and communicate on ground rules' (p. 33).

This concept of dialogue is also akin to Habermas (1984) concept of communicative action that promotes active involvement of participants in strategic interaction ¹⁷ to achieve reasoned understanding (cited in Niemann 2004). The communicative action advocates the idea of equality which assumes all participants to have equal access to discourse which hardly applied to PR practice particularly when power relations is present.

Pieczka (2011) affirmed that symmetrical communication and corporate social responsibility overlap with the theory of dialogue. However, her central argument was on PR ability to engage in dialogical practice or as dialogic expertise in the absence of extensive discussions of dialogue either in PR scholarships or practice. The marginalization of dialogue as a concept in PR is viewed problematic and serves as a major impediment to the development of PR in a long term (Pieczka 2011). This deficiency affects PR's performance in CSR particularly in enacting stakeholders' engagement which claimed to be at the heart of a genuine CSR practice (see Freeman 1984; Waddock & Smith 2000). Ineffective dialogue also affects the quality of CSR reporting. Lack of ability to incorporate insight on actual issues and needs of respective stakeholders may subsequently produce an imbalance reporting that solely work to pursue organizational interests. This propensity to privilege a dominant group within

¹⁷ Where actors bargain in strategic interaction (when they cannot maximize their utility without cooperation) they discuss, deliberate, reason, argue and persuade in communicative interaction. Subsequently, the terminologies 'arguing', reasoning' and deliberating are used to indicate interaction processes in the Habermasian sense (Niemann 2004, p. 382).

society serves as the focal argument of critical perspectives that will further explained in the next section.

2.3.7 The critical view

The critical paradigm largely challenges the assumptions that consider two way symmetrical communications as the most effective and ethical way to practice PR. It is broadly accepted that the notion of the two-way symmetrical model is merely a normative theory that is less pragmatic. This is evidenced when PR is often caught in a dilemma of generating mutual interests between its serving organisation and its key constituents (Motion & Leitch 1996; L'Etang 1996, 2006; Berger 2005; Motion & Weaver 2005; Roper 2005; Edwards 2009; Bardhan & Weaver 2011). These conflicting interests create tension in the practice of PR. This has imposed many constraints on PR practitioners in the pursuit of their roles. Berger (2005) has addressed this dilemma by stating that:

'Those serving their own interests will adopt roles that best accommodate achievement of self interest. Those who serve the organization and achievement of its financial and market objectives are likely to take roles wherein they carry out instrumental directives as efficiently and effectively as possible. Those who seek to serve the interests of the organization and greater society are likely to find their roles to be complex and constrained.' (p. 23)

The dynamic of power relationships in the realm of PR practice has been put forward by critical scholars (see L'Etang & Pieczka 1996, 2006; Motion & Leitch 1996; Leitch & Neilson 2001; Berger 2005; Motion & Weaver 2005; L'Etang 2008; Edwards 2009; Bardhan & Weaver 2011) as they raise the issue of power imbalances that inherently dominate relationship that have been built on the basis of a two-way

symmetrical model. Their critique alleged that the two-way symmetrical approach imparts greater power to organisation, thus giving them more control over their environment, rather than provide the public a bridge to the organisation and a voice in management decisions (Grunig 2009, p.10, see also Edwards 2009). Similarly, the ideal outcome of symmetrical dialogue has been strongly contested by Leitch & Neilson (2001) when they challenged the idea that equate the public and organisations as interchangeable entities, thus having equal participation in dialogue. Coombs (1993) argued that this equality has been reinforced by the complete absence of power in mainstream PR theory (in Leitch & Neilson 2001, p. 128).

It is from this contention that Roper (2005) argued that 'symmetrical communication, is more likely function to maintain the organization's hegemony' ¹⁸ (p.17) rather than a dialogical tool to achieve mutual understandings. An alternative paradigm holds the view that PR's function in promoting hegemony has built up over time. In an earlier account, L'Etang (1996) asserted that a two-way symmetrical theory has been intrinsically hegemonic in PR scholarship, and that has restrained the development of an alternative worldview. She states that:

'What could be described as the 'pax symmetrica' is itself based on the imposition and acceptance of a particular worldview of common sense, and is thus intrinsically hegemonic in that one overall framework may be applied and the potential for disagreement may be restricted.' (L'Etang 1996, p.34)

Ideologically, PR works in the interest of those who pay for it, whether that be government, commercial interests, NGOs, or activist groups (Edwards 2011, p. 35; see also Motion & Leitch 1996; Berger 2005; Motion & Weaver 2005). This has

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¹⁸ Hegemony can be defined as domination without physical coercion through the widespread acceptance of particular ideologies and consent to the practices associated with those ideologies (Roper 2005,p.70)

implications for PR initiatives, including those involving CSR activities that largely implemented to support the agendas of more powerful actors (L'Etang 1996, 2006; Miller & Sklair 2010) in which this thesis is also keen to explore.

Drawing from a discourse-centered perspective, Motion & Leitch (1996) viewed PR practitioners as 'discourse technologists' who are actively involved in the maintenance and transformation of discourse, primarily through the production and distribution of text (p.299). They further affirmed that PR participation in the discursive struggle tend to privileged the interests of the practitioners' employers over the interests of other stakeholders (Motion & Leitch 1996). A key figure in critical discourse analysis, Fairclough (1992) defined the notion of 'professional technologists' as those who research, redesign, and provide training in discourse practices (p.8). Fairclough's (1992, 2003, and 2010) critical discourse framework (see Chapter 4) has largely impacted on the thesis in terms of its analytical approach.

The critical perspectives also raise concerned over the impact of power imbalance to CSR practice. In this context, L'Etang (1994, 1996, 2006) argued that PR could neither initiate CSR initiatives yielding a fair return to both business and stakeholders, nor promote ethical CSR. She contended that the public are deprived of getting what they need, as they do not acquire an equal role in the decision making process. L'Etang (1994, 1996, and 2006) postulated that such a relationship with recipients is exploitative, as the organization appears to be solely interested in what the recipients can do for the firm, and not what the company can do for the recipients. Furthermore, self-interested or prudential motivation of CSR is not morally justifiable because of its potential to treat beneficiaries as a means to an end (L'Etang 2006,

p.415). In her recent discourse, L'Etang (2008) strongly argued for early stakeholder engagement, where stakeholders are involved in defining the objectives and outcomes of CSR programs; she considered this to be the one way of ensuring that stakeholders reap substantial benefits from such programmes. This critical view has a considerable bearing in the thesis.

2.4 CSR and business ethics: An overlapping concept

Unlike the previous sections, this thesis argues that business ethics does not belong to a specific discipline rather that it is a significant concept that is closely interlinked with a wide spectrum of managerial and business practices. This section begins by providing an overview of business ethics and how it intertwines with CSR practice. It also discusses the Classical framework of ethics; utilitarian and deontology that commonly used to guide decision making including CSR. Apart from Classical theories other frameworks such as social justice and ethics of care are also briefly discussed. Next, it covers an argument that revolves around the tension between CSR driven by profit maximization and ethics, the challenge faced by managers in making ethical decisions, and the impact of unethical behavior on business in general.

The thesis argues that it is imperative to have a clear understanding of business ethics and its relationship with CSR, as the terms are often used interchangeably. De George (2008) asserted that many companies prefer to use CSR, rather than adopting the language of ethics, with the aim of 'reducing the critical edge of ethical scrutiny' (p. 79). Fisher (2004) affirmed that research interest in business ethics began around the same period as the development of CSR. Intriguingly, it has been illustrated that both

CSR and business ethics have thrived on similar grounds (see Fisher & Lovell 2003; Crane & Matten 2007). Despite having a distinct meaning, the terms social responsibility and ethics are often used interchangeably (Fisher 2004), thus leading to a preconceived idea that business's engagement with CSR equates to ethical business practices. However, this notion should not be taken for granted as some CSR exercises are largely executed to divert the public's attention from corporate misconduct (see Miller & Sklair 2010). The Stanford Encyclopedia of Philosophy defined business ethics as 'the applied ethics discipline that addresses the moral features of commercial activity' (Stanford Encyclopedia of Philosophy 2008). Business ethics as a subject is defined as 'the study of business situations, activities and decisions where issues of right and wrong are addressed' (Crane & Matten 2007, p.5). In a similar vein, Davis and Frederick (1984) argued that business ethics is simply 'the application of general ethical rules to business behavior' (p.77).

It has been observed that ethics served as an essential building block of the CSR concept. Carroll (1991) identified ethical responsibility as one of the essential elements that embodied socially responsible practice. In recent years, numerous studies have attempted to focus on ethical decision making in CSR (see Husted & Allen 2000; Kaler 2000; Joyner & Payne 2002; Fisher 2004). The prevailing ethical approaches found in such discussions were either from utilitarianism or deontological perspectives, which originated from the Western philosophical traditions. These theories are often used in view of their ability to provide justification of moral issues including business issues, and not for any ideological reason (Dee George 2008). De George (2008) further affirmed that ethical theories are socially and culturally bound. He also recognized religion as an underlying element in shaping morality in society. He stated that:

'Every society has a morality, or a set of actions it considers importantly right or wrong, a set of values that it believes are worth pursuing, and a set of virtues or habitual ways of acting that is attempts to inculcate in its members.' (De George 2008, p. 78)

Utilitarianism holds that ethical actions should create the greatest amount of good to the greatest number of people (Hospers 1990). The hallmark of this approach is that the consequences of one's actions ought to yield maximum happiness. However, the moral ground of utilitarian approach is not without criticism. Davis & Frederick (1984) argued that utilitarian reasoning tends to deprive the minority of their rights:

'The greatest good of the greatest number may still leave a significant number of people without benefit that others enjoy.' (p.78)

In the realm of CSR practice, L'Etang (1996, 2006) argued that the utilitarian approach does not seem to be compatible with the doctrine of CSR. She states that:

'A utilitarian approach does not take into account of concepts of rights and responsibilities or ideas about just relationships which seem to be embedded in much of the language used in defining and discussing corporate social responsibility.' (L'Etang 2006, p.414-415)

In this context, L'Etang (1996, 2006) exhorted companies to evaluate the impact of CSR from various stakeholders' perspectives i.e. donor recipients, and society in general, prior to claiming that their practices have engendered satisfaction.

On the other hand, deontological ethics focuses on the intention of the action. This concept argued that individuals should act on the premise that the choices one makes for oneself could become a universal law (Seib & Fitzpatrick, 1995). This ethical framework assumed that doing the right action for the wrong reason is still immoral (Husted & Allen 2000). Drawing from the Kantian ethical framework, L'Etang (2006)

argued that CSR driven by self interest is morally wrong on two grounds: 'it may be wrongly motivated and because beneficiaries may be used as a means to an end of improving the company's image' (p. 415). In her earlier account, L'Etang (1994) argued that an action done out of duty has moral worth because such action arose from a rational process, and included an understanding of obligation and duty (p.120).

Alternatively, there are other moral frameworks used to justify ethical actions such as social justice and ethics of care. The theory of social justice is largely credited to John Rawls (1971). The concepts of fairness inherent in Rawls' idea of justice are shaped by two significant events; the society of mass consumption and the civil right movement (Bankston III 2010). Rawls suggested an egalitarian conception of justice that gave priority to the least advantaged in society through distribution of goods, opportunities and power. He argued that the disadvantaged is the product of social structure. Bankston III (2010) argued that what is good and just is subject to many interpretations particularly within a pluralistic society. He stated that:

'A pluralistic society necessarily has many different goals and many different definitions of what is good and just. There may be justification for granting special privileges to the underprivileged, but the assertion of a monopolistic ethic in a pluralistic society tend to result simply in the expression of competing ethical ends through hypocrisy and subterfuge.' (p.177)

Nonetheless, Rawls' concept of social justice on the basis of redistribution of good received critique from libertarian advocates. Working from libertarian perspective, Nozick (1974) argued that the concept of redistribution to improve the condition of the least advantaged are unjust because they make some people work involuntarily for others and deprive people of the goods and opportunities they have created by extending their own time and efforts (Bankston III 2010, p. 172). In this

thesis the concept of justice and equality is framed within the Malaysian context and this will be later discussed in 3.1.2 Ethnic relations and National Economic Development (NEP).

Coombs and Holladay (2007) incorporated an *ethic of care* as the third approach that guides ethical decision making. The ethic of care emphasizes ethical action which is based on 'maintaining connections and nurturing the web of relationships (Simola 2003, p.354 cited in Coombs & Holladay 2007). This ethical approach recognized compassion and caring for others as a key component of doing what is correct (Coombs & Holladay 2007, p.33). In the context of CSR, an ethic of care determines that an organization should address social and environmental matters because such practice will strengthen relationships with stakeholders by showing respects for their concerns. Akin to utilitarianism, the underlying motive of actions is not fundamental in the ethic of care approach.

In recent years, more attention has been given to ethical business practice as a strategy for thriving in business (see Porter & Kramer 2003; Prahalad & Hammond 2003; Smith 2003; Kotler & Lee, 2005). In this context, a business's commitment to philanthropy very much depends on the degree to which that strategy is prudent for the organization. This argument purported that ethical practice is a pre-requisite for business profitability, hence defying the tension between the two. In the interim, it has been observed that debate on the moral ground of CSR has intensified with businesses increasingly using CSR to meet their commercial objectives, or simply to divert public attention from corporate misconduct. Hemingway & Maclagan (2004) raised concern over the corporations' tendency to adopt CSR to conceal the impact of corporate

misdemeanor. Similarly, Miller & Sklair (2010) revealed how transnational corporations constantly capitalized on CSR activities. They stated that:

'CSR, seen through this lens, largely consists in providing hard-pressed journalists with corporate good news stories, and pre-empting bad news with confusion and spin (Dinan and Miller, 2007; Miller and Dinan, 2008 in Miller & Sklair 2010, p. 5).

It has been observed that the motivation to pursue CSR to increase wealth remains to be contested. Andrews (1989) identified the quest for self interest as a primary impediment towards high ethical standards when he wrote:

'Perhaps the most important is that management's total loyalty to the maximization of profit is the principle obstacle to achieving higher standards of ethical practice. Defining the purpose of the corporation as exclusive economic is a deadly oversimplification, which allows overemphasis on self-interest at the expense of consideration of others.' (p.104)

Duska's (2000) argument echoed the same concern when he exhorted that business ethics is not possible if the sole purpose of doing business is to maximize profit. In a similar account, he cautioned that selfishness may occur when the 'pursuit of self interest is at the expense of another' (p.121). Moreover, Windsor (2001) expressed his fear over the future of CSR in view of the recent motivation by managers to embrace best practices solely to accumulate wealth. He cautioned such motivation could be a contributing factor that drives managers to engage in corporate misconduct at the expense of stakeholders' welfare (Windsor 2001). These arguments claimed that businesses are likely to behave irresponsibly in their quest to increase profits. The implication of this view is that CSR driven by economic motives is likely to result in injustice to non-business stakeholders.

On the other hand, a leading opponent of the idea of corporations having a social obligation to society, Friedman (1970), argued that CSR which is carried out for reasons of self-interest, is not CSR at all, but merely profit-maximisation 'under the cloak of social responsibility' (cited in Crane & Matten 2007, p.47). Friedman's case against CSR was made apparent when he claimed that corporate managers or agents were implicated in unethical conduct by spending stockholders' funds rather than their own, despite them having noble intentions to fulfill the interest of society at large through CSR activities.

However, corporate motives in pursuing CSR remain difficult if not impossible to determine by corporate outsiders (see L'Etang 1994; Dunfee 2008). This could be a reason why the underpinning motivation and intention of pursuing CSR does not receive adequate attention in academic literature. Therefore, this thesis aims to fill this void by exploring the underlying motive of CSR initiatives among CSR renowned businesses in Malaysia as embedded in their CSR discourse and practices.

Nevertheless, making an ethical decision in business is challenging due to the pressure to meet economic goals. Managers are now also under pressure to do justice to stakeholders at the same time. A manager who disregards other responsibilities that appear in conflict with profit making may easily fall into what Andrews coined as 'bottom-line myopic' thinking (1989, p.113). Andrews (1989) identified several impeding factors of one's ability to make ethical decisions when he wrote:

'Making ethical decision is not always easy especially when the situation is clouded by ambiguity, incomplete information, multiple points of view, and conflicting responsibilities.' (p.100)

Like other CSR advocates, Carroll (2001) addressed the danger among managers who failed to see the role of ethics in business. He contended that a lack of ethical awareness has prompted managers to assume ethical leadership by simply rejecting immoral business practices without being sensitive towards amoral business practices. He defined amoral business managers as those who are insensitive to the fact that their business decisions could affect others. Both immoral and amoral business management have the capacity to detrimentally affect business. At the same time, the tendency to link CSR efforts with ethical business practices is truly a myopic view as businesses could easily use CSR as a form of escapism from their corporate misdeeds, or take full advantage of CSR to bolster the public's trust in order to achieve the objectives of capitalism. This thesis will explore the role of PR in CSR drawing from this critical perspective.

2.5 CSR as a Practice

This section concentrates on the fundamental aspects of CSR and details its underlying motivations and early practice by industrial philanthropists. It also underlines the reasons why economic motivation prevails among contemporary organizations.

Benevolent business leaders had placed CSR at the heart of their businesses long before the term CSR was even invented. Early industrial philanthropists had demonstrated great concern for their employees and the local community. This was evident in the establishment of industrial towns for their workers and the local

community. In the UK, the essence of CSR could be traced back in the aftermath of the Industrial Revolution (Smith 2003; Blowfield & Murray 2008) and was practiced by renowned industrial magnates. For example, George Cadbury built the Bourneville town in 1879 equipped with proper housing and basic amenities for his factory workers (Smith 2003; Blowfield & Murray 2008). Similarly, this paternalistic capitalism was also championed by William Hesketh Lever, founder of Lever Brothers (now known as Unilever) who promoted a sound employee welfare scheme which included a fixed eight hour working day, sickness benefits and a pension, while ensuring workers were not deprived from a convenient and healthy living by building the 'garden village' (Fitzgerald 2003, p. 3). The place was named after one of Unilever renowned brands Port 'Sunlight,' back in 1888 (Daily Post.co.uk Sept 21, 2007; Smith 2003; Fitzgerald 2003). In Scotland, an exemplary business practice was championed by Robert Owen. Among his first attempts, after acquiring New Lanark, the largest cotton-spinning factory in Britain, from David Dale, was to build schools for the New Lanark community (Robert Owen n.d.). He also abolished child labour in his factories. A similar practice was observed in the United States – George Pullman (1881) built a town on the outskirts of Chicago for his railroad car company workers which was described as the 'most perfect city in the world' (Smith 2003, p. 52; The Economist 1995). L'Etang (2006) associated these paternalistic acts with Quakerism, which was inclined to do social justice on the basis of religious faith. She further affirmed that modern 'CSR practice in Britain originated in the Quaker's values rather than invented in the US in the 1960s' (p.407).

Despite their noble gestures of doing good to employees and society at large, the philanthropists' underlying intentions are often questioned. Scholars have suggested multiple motivations that drive corporations to undertake CSR. Hemingway and Maclagan (2004) identified the Quakers' philanthropic programmes i.e. Cadbury and Lever who were driven by altruistic values. Similarly, Rowlinson & Hassard (1993 in Hemingway & Mclagan 2004) proposed a more critical stance as they affirmed Quakers' philanthropic commitment was a reactive response to 'contemporary social movement' or merely public relations (p.37). On the other hand, Smith (2003) argued that the purpose of these paternalistic actions reflects a mixture of a desire to do good (the 'normative case') and enlightened self-interest (the 'business case') (p.53).

In recent years, there has been an increasing volume of literature which has identified the business case as the main aspiration for many organizations to engage in CSR (Cochran, 2007; Silberhorn & Warren, 2007; Waldman & Siegel, 2008). For example, a survey of CR reported by KPMG found that 74% of companies disclosed 'economic considerations' as a driver for corporate responsibility (KPMG 2005 cited in Smith 2008, p. 282). A clear business case for doing good was also central in Prahalad & Hammond's (2003) article 'Serving the world's poor, profitably' which emphasised how doing business in the world's poorest market could help multinational companies (MNCs) improve the lives of billions of people while at the same time bring enormous revenues, greater operating efficiency and new sources of innovation. The business case of CSR was further enhanced by the growing volume of evidence elaborating on the benefits that have accrued from CSR practices. For example, Business for Social Responsibility (BSR) in Kotler & Lee (2005) highlighted a range of bottom-line benefits that may derive from the practice of CSR that among others include, 'increased

sales and market share, strengthen brand positioning, enhance corporate image, increased appeal to investors and financial analyst'(pp.10-11). In addition, the meta-analysis ¹⁹ findings conducted by Orlitzky, Schmidt & Ryan (2003 in Orlitzky 2008), supports a positive relationship between Corporate Citizenship (CC) and Corporate Financial Performance (CFP) (p. 116). Such finding has countered previous studies that displayed a weak linkage or neutral relationship between CSR and Corporate Financial Performance (CFP).

On the other hand, scholars have also identified that manager' personal values and interests in a particular social cause can be a motivating factor for adopting best business practices (Hemingway & Maclagan 2004; Swanson 2008). From this vantage point, Swanson (2008) strongly exhorted that 'moral leaders should use their organisation's authority to ensure that the social benefits of corporate impacts are maximised' (p.233) and at the same time work to lessen harmful outcomes. However, scholars have concluded that the motivation for embracing socially responsible behaviour among corporations is hard to discern (L'Etang 1994; Rollinson 2002 in Hemingway & Maclagan 2004; Dunfee 2008). This thesis among others aims to fill this gap by attempting to examine the underlying motivation of corporations in pursuing CSR in Malaysia.

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¹⁹ Meta-analysis is a type of literature review that goes beyond the outcomes of statistical significance tests (Schmidt 1992 in Orlitzky 2008, p. 114)

2.6 CSR as a Concept

The modern concept of the social responsibility of business has received a mixed response from scholars. This section depicts the early debate on CSR as found in the literature and reasons underlying the apparent tension.

CSR as a concept can be traced back to as early as the 1930s. Professor E. Merrick Dodd (1932) was among the first academics who became involved in the debating of the social responsibility of corporations. In his classic paper 'For whom are corporate managers trustees?'(1932) he recommended CSR as a timely concept for adoption by corporations. He observed that the change in public opinion towards business obligations to the community will eventually drive corporations to assume responsibility towards employees, consumers and the general public. His opinion diverged from Berle (1931) who asserted that the sole purpose of business corporations is to generate profit for their stockholders.

However, the modern concept of CSR is attributed to Howard Bowen's publication "Social responsibilities of the businessman" in 1953 (Carroll 1979). In this seminal work, Bowen recognized that promoting the publics' interest as a central component in pursuing the social responsibilities of businessmen. He stated that:

"...the obligation of businessmen to pursue those policies, to make those decisions, or to follow those lines of actions which are desirable in terms of the objectives and values of our society." (Bowen 1953, p.6 in Carroll 2008, p. 25)

Bowen (1953) further proposed some practical recommendations for corporations to ensure social viewpoints were included in business policies and decision making. He suggested several measures i.e., social audits, social education and a business code of conduct to guide managers in making decisions that fit both the organisation and societal interests (Bowen 1953 in Windsor 2001, p.151). Drawing from functional perspective, PR would be in the best position to advise management to undertake CSR that would generate mutual benefits to both business and stakeholders. However, this thesis undertakes a critical stance to explore the actual role of PR in CSR in which the functional perspective could be very much contested.

Sethi (1974) maintained that CSR mainly relates to the public's expectations of an organisation's behaviour. Akin to Bowen he also drew special attention to the importance of social audit in helping corporations to keep track of the constant change in public expectations and to make necessary changes to a firm's long term objectives. Since then, scholars have started to acknowledge the importance of responding to other social factors that deserve the same rights as shareholders (Frederick 1960; Carroll 1979; Jones 1980; Freeman 1984; Waddock & Smith 2000; Wilson 2001; Post, Preston & Sachs 2002). Business and societal relationships were cornerstone in Davis's (1973) 'Iron Law of Responsibility,' which strongly asserted that business as a social institution ought to use the power granted by society responsibly on a long term basis (cited in Carroll 2008). The influence of society towards business success is also apparent in Carroll (2008) when he wrote:

'It must be observed, however, that it is society, or the public, that plays an increasing role in what constitutes business success, not just business executive alone, and for that reason, CSR has an upbeat future in the global business arena'(p.42)

In this respect, L'Etang (2006) argued that CSR may serve as a potential avenue for organisations to contribute positively to society. She exhorted organizations to make full use of CSR to benefit society in view of the considerable degree of support it has rendered to business. L'Etang (2006) states that:

'the practice of CSR is potentially a way of redressing the balance and distributing benefits and burdens in society on the grounds that business benefits from publicly funded infrastructures and considerable economic, social, and political power and that this accumulation of power should lead to increased responsibility.' (p.413)

The heighten demand for corporations to be socially responsible served as a reminder for business to give considerable attention to much wider issues i.e., negative business externalities to consumers and environment, equal job opportunities, culture, health, and education (Ashen 1974). Constant debate on social responsibility of business has indirectly contributed to the development of many theoretical frameworks of CSR i.e., corporate social performance, stakeholder theory, corporate citizenship, shareholder value theory just to name a few. However, this thesis addressed on two prevailing approaches to CSR; the shareholder value theory and the stakeholder theory that represent the Classical view and the alternative view respectively.

2.6.1 Shareholders' versus stakeholders' frameworks

The maximization of shareholders' value underlies the neoclassical economy theory (Mele 2008). The neoliberal economists (e.g., Levitt 1958; Friedman 1970) strongly challenged the idea for corporations to have responsibility other than maximizing profit. Levitt (1958) was among the first to criticize the idea of social responsibility of business. In his article 'The danger of social responsibility' he

exhorted that welfare and society are not the corporation's business. Levitt (1958) illustrated this stand when he wrote that 'welfare is supposed to be automatic; and where it is not, it becomes government's job' (p.47). Similarly, Friedman believed that morality, responsibility and conscience reside in the invisible hands (Smith 1776) of the free market system (cited in Goodpaster & Matthews 2003, p.141-142). In this case both the organization and its managers are not responsible to pursue any social good to society. Milton Friedman's (1970) famous statement that the only responsibility of business is to its owners (shareholders), had profoundly rejected the idea of a firm contributing to social welfare. He argued that a corporation is an artificial person and thus cannot have responsibilities. He also highlighted that the sole responsibility of a corporate executive (manager) is to make as much profit as possible for the owner or shareholders of a company. In his view, agents who are making investments using shareholders' funds for socially desirable ends is equivalent to imposing taxes on shareholders (L'Etang 2006). Lantos (2001) distinguished three types of CSR: ethical (avoiding social harm), altruistic (doing good works at possible expense to stockholders) and strategic (good works that are also good for business) (p.595). Consistent with Friedman (1970), he strongly asserted that doing good at the expense of shareholders' resources without any return on investment is an illegitimate aim for a publicly held organisation. Lantos argument is built on the basis of agency theory that depicts a manager's role as an agent who is expected to pursue shareholders interests at all times.

Both Levitt (1958) and Friedman (1970) were renowned scholars who profoundly opposed the idea of CSR. Critics believed that Friedman failed to understand the positive advantages to be gained from CSR, such as reduction of

business costs and sustaining profits (Heath & Ni n.d.). However, CSR has continued to receive considerable support in literature and has largely contributed to the development of stakeholder theory.

Branco & Rodrigues (2007) affirmed that the stakeholder perspective has become inevitable in CSR discourse or analyses. Evidence in literature has suggested that stakeholder theory has gained momentum in management literature following Freeman's (1984) landmark book 'Strategic management'. According to Freeman (1984) the stakeholder approach offers innovative ways for managers to manage their organizations effectively. The term stakeholder was originally defined as 'those groups without whose support the organization would cease to exist' by the Stanford Research Institute (Freeman 1984, p. 31). Unlike the classical view held by the neoliberal economists, stakeholder theory suggested that 'there is a multiplicity of groups having a stake in the operation of the firm, and all of them merit consideration in managerial decision making' (Lea 1999, p. 153).

Stakeholder theory acknowledged the importance of balancing the interests of business and its other stakeholders to ensure long term business survival. Additionally, the new stakeholder theory hypothesised that favourable relationships with critical stakeholders determined firms ability to generate sustainable wealth and a long term value for society as well (Post, Preston & Sach 2002). Therefore, an underlying challenge for contemporary management based on this contention is to develop and implement organisational policies and practices that take into account the goals and concerns of all the relevant stakeholders. Post, Preston & Sachs (2002) also affirmed that constant learning and monitoring are pertinent conditions for a successful

stakeholder management in view of the appearance of a new stakeholder groups and changes that have constantly taken place in terms of stakeholders' concerns and interests. In a similar vein, Windsor (1999) has argued that the 'entire notion of the balancing of partially conflicting interests requires more careful scrutiny than has occurred' (in Windsor 2001, p.243).

On the other hand, L'Etang (1995) in her critique argued that stakeholder theory may neither help prioritising stakeholders nor produce a qualitative account of the relationship 'but simply describes the formal relationship between company and stakeholders in terms of the company's mission' (p. 125). Lea (1999) among others has highlighted critiques that argued responsibility to other non-shareholders may undermine a corporation's efficiency in generating wealth. Furthermore, managing a fair and balance distribution of resources seems to be another major issue of concern amongst critics and advocates of stakeholder theory. Clarkson (1995) asserted that corporations are obliged to ensure a fair and balanced distribution of wealth to primary²⁰ stakeholders to maintain their continuous support and participation. In this context, he advocated management to use ethical judgment and choices to resolve any conflicting interests (Clarkson 1995). On the other hand, Dunfee (2008) argued that the stakeholder theory is not capable in helping managers to allocate resources on discretionary social responsibility. In view of this deficiency, he advocates managers to treat social investment as equivalent to financial investment and to have some comparative advantage in justifying the CSR allocation along with high standard of transparency (Dunfee 2008).

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²⁰ A primary stakeholder group is one without whose continuing participation the corporation cannot survive as a going concern i.e., shareholders, investors, employees, customers, suppliers, governments and communities (Clarkson 1995, p. 106)

Notwithstanding the ongoing debate, CSR continues to gain momentum and to embrace wider issues such as community, governance, accountability, supply chain, human rights and the environment (Business for Social Responsibility 2007). CSR discourse at present is being addressed by scholars in many countries (Crowther 2008). I have argued in Chapter 1 that CSR is a social construct that is greatly influenced by the socio-economic, political and cultural landscape of a nation. The next section focuses on the specific social, political and economic dimensions that have shaped the evolution of CSR in selected countries; the United States and the United Kingdom. As mentioned in Chapter 1, the selection of these two countries has been made in view of their pioneering role in CSR and considerable amount of information found in literature.

2.7 Social, political and economic influence on the evolution of CSR

This section aims to provide insight as to how CSR practice and approach are influenced by the socio-economic and political landscape of a nation as chronicled in the relevant literature. This section begins by illustrating the development of CSR in two developed nations namely the United States and the United Kingdom. The discussion focuses on major policies, economic structure and socio-cultural aspects that have largely influenced the development of CSR in these respective nations. Meanwhile the evolution and development of CSR in Malaysia as reported in the literature will be discussed in Chapter 3.

2.7.1 <u>CSR in the United States and the United Kingdom</u>

By and large, literature has revealed that CSR in the United States and Europe has progressed and transformed in some degree from three significant events i.e. the industrial revolution, the social governance crisis in the 1980s and recent globalization phenomena. It has been observed that, despite their advancement in CSR practice, both nations have depicted a different pace of advancement and different characteristics in practice. CSR is therefore does not share similar growth in light of the different sociocultural, economic and political landscape experienced by every nation (see Chambers *et al.* 2003). Frederick (2008) affirmed that CSR should conform to the socio-cultural diversity of a specific nation. He stated that:

"...CSR continues, as it should, to be discovered and expressed in varying ways that parallel the socio-cultural diversity of values found throughout the world." (Frederick 2008, p.528)

Similarly, Brussels (2008) concurred with the uniqueness of the CSR approach and the practice of each country wrote:

"....CSR comes with different national characteristics resulting from diverse cultural traditions as well as heterogeneous social and economic background." (p. vii)

The evolution of CSR in the United States and the United Kingdom has received growing attention among scholars in recent years. This is evident from the seminal work of prominent scholars such as Frederick (1960, 2006, 2008); Moon & Matten (2004); Moon (2005); Carroll (2008), Vogel & Moon (2008). Most scholars have attributed the humble beginning of CSR to the establishment of mega corporations during the Industrial Revolution, in the latter part of the nineteenth century. Carroll

(2008) argued that the intense criticism received from constituents with social concerns had forced businesses to take positive steps to reduce criticism. Scholars have accepted that 'unchecked corporate power is problematic for democratic society' (Cheney, Roper & May 2007, p.3). Hence, several laws and regulations have been imposed on corporations in the US and Western Europe (Moon 2005; Cheney, Roper & May 2007) to govern what are perceived as callous acts by businesses. In this context, De George (2008) in his analysis identified early CSR practice in the United States as being largely reactive.

Recent academic literature suggested that CSR in the US evolved within a free market ideology and with limited government interventions (Frederick 2008). Conversely, government is the key driver that advanced the practice of CSR in the UK (Moon 2005). Scholars identified CSR in the US as being explicit from the very beginning as compared to the practice of CSR in Britain (Moon & Matten 2004). The explicit practice of CSR to some degree was attributed to the country's 'strong culture of individualism that promotes individuality responsibility for one's own welfare' (Cheney, Roper & May 2007, p.6). Moon & Matten (2004) characterized explicit CSR as voluntary initiative of organizations when they affirmed that:

'Explicit CSR would normally consist of voluntary, selfinterest driven policies, programmes and strategies by corporations addressing issues perceived as being part of their social responsibility by the company and/or its stakeholders.' (p.9)

Frederick (2008) has encapsulated the development of CSR in the United States into four significant periods. The first phase (1950s-1960s) (Frederick 2008, p. 524) has seen the prominent role of corporate managers as public trustees whose duty encompassed balancing the competing claims of various stakeholders and promoting

philanthropic causes. This voluntary philanthropic approach recognised managers as the main driver of CSR. The second phase (1960s-1970s) (Frederick 2008, p. 525) witnessed economic downturn and social unrest that has transformed CSR from merely philanthropic to taking a proactive action in societal issues. In the midst of social upheavals, corporations were expected to actively solve social problems. The notion of corporate social responsiveness has eventually made its presence in literature to mark this transformation.

In addition, the rise of environmental and consumer movements left corporations with no option but to embrace socially responsible initiatives in their organisations' strategies. Frederick (2006) identified the third phase (1980s-1990s) as the period of advancing corporate ethics. Trust in corporations has continued to diminish in the midst of corporate malfeasance during this period (Cheney, Roper & May, 2007, p.7). Frederick (2008) emphasised the dominant role of organisational culture in shaping business practices. Murphy (1998) enlisted a wide range of tools which were used to foster ethical corporate cultures which among others include i.e. mission statements committing the company to ethical goal, code of ethics, a chief ethics officer to monitor ethical conduct, ethics audit, ethics training, hot-lines for reporting misconduct and coercion and an award for corporate misconduct and outstanding corporate behaviour respectively (in Frederick 2008, pp. 526-527). Finally, the fourth phase (1990s-2000s) (Frederick 2008, p. 527) highlighted globalization of trade as an emerging factor that continues to reinforce socially responsible practices among business across the globe. Muirhead (1999 in Carroll 2008) characterised this period as 'diversification and globalization,' (p. 38) witnessing more global companies appearing in the market. In this context, multinational corporations are required to

operate in a socially responsible manner in the respective host countries along with adherence to the laws. At the same time, transparency and ethical practices were expected to safeguard corporations' legitimacy in the international market.

Conversely, government involvement in the development of CSR in the UK seemed to be more advanced when compared to the United States. This is due to the 'sociopolitical nature of Western Europe that expected corporations to be responsive to social needs and demands and expected trade unions to exert control over corporate actions in the social interest' (Crane & Matten 2004 in Cheney, Roper & May 2007, p. 6). Unlike its American counterpart, CSR as a voluntary corporate policy in Europe appears dispensable as they are already part of the legal framework. Early CSR practice in Britain was more implicit as it appears in a form of shared responsibility with other formal and informal institutions in the country (Matten & Moon 2004). In other word, corporations are expected to perform socially responsible acts in order to maintain their legitimacy to operate. At the same time, the ruling government in Britain embraced an active role in addressing social and welfare issues. However, the societal governance crisis in the 1970s and 1980s (Matten & Moon 2004) transformed the role of business towards society. Social unrest, financial chaos, and high unemployment rates placed government in a difficult position to pursue their role as a social provider. As a result government took the unpopular step of withdrawing from delivering social services, introducing greater family and individual responsibility. Several key industries were also de-nationalised. Rhodes dubbed such action as the 'hollowing out' (in Moon 2005, p.54) of government. Subsequently, this social governance crisis signified the beginning of an explicit approach to CSR in the UK as business came to realized the importance to adopt CSR to maintain its license to operate (see Matten & Moon 2004; Moon 2005).

The second and third waves of CSR emerged in the 1990s (Moon 2002b in Moon 2005). These tended to be more explicit and to include wider dimensions such as product, processes and employee relations. Moon (2005) illustrated that the institutionalisations of CSR in the UK are evident within an organization by the appointment of CSR personnel, codes and standards being integrated into corporate internal systems, increased CSR reporting and collaborative efforts with NGOs and governmental bodies. In addition, the establishment of CSR associations and consultancies and the increased recognition of socially responsible investment (SRI) demonstrate heightened attention given to CSR practice. Another milestone that reflected the institutionalization of CSR in the UK was the appointment of the first minister for CSR within the Department of Trade and Industry in 2001, under the Blair administration (Blowfield & Murray 2008). All in all, despite their rapid progress in CSR practice, both the United States and the United Kingdom have experienced a different pace of development and display different CSR characteristics. This corresponds with their unique socio-cultural, economic and political landscapes.

2.8 Conclusion

The literature shows that CSR has received attention from a wide array of academic disciplines that enriched its scholarly inquiry. This chapter has analysed a wide range of literature from multiple academic disciplines including PR to better understand the fundamental issues concerning CSR and its relationships with PR. It also provides an overview of CSR that includes the unresolved key issue that has contributed to its complexity as a social construct. The review of literature has

demonstrated that PR core functions have largely intersected with CSR practice. The functional perspectives have strongly affirmed that PR is capable to pursue CSR that would generate mutual values to both organizations and their stakeholders. In contrast, those with critical perspectives challenged PR ability to generate mutual interests by virtue of power imbalance that exists in most relationships between organizations and their stakeholders (see Motion & Leitch 1996; L'Etang 1994, 1995, 1996 and 2006; Motion & Weaver 2005; Roper 2005). However, very little empirical evidence found in the literature that gives support these claims. This thesis aims to bridge this gap by exploring the actual role of PR in pursuing CSR by getting insights from PR managers working in renowned CSR organizations in Malaysia.

This thesis also argues that the development of CSR is largely determined by the social, economic and political structures of a nation. Research on CSR has predominantly conducted in the developed nations particularly in the UK and the United States. However, there is a gap in the literature on the development of CSR in developing countries, particularly Malaysia. Working from the critical perspectives this thesis aims to make relationships between socio-cultural, political and economic dimensions that are shaping CSR practice and the scope of PR role in the practice within a unique Malaysian context more apparent.

CHAPTER 3: PR AND CSR IN MALAYSIA

In the previous chapter, it is argued that both PR and CSR are social constructs influenced by the social, economic and political aspects of a country. On this note, this chapter aims to provide background information on Malaysia and to set the scene prior to explaining the development of PR and CSR in the country. This chapter begins by providing a brief discussion of the history, political system and multi ethnic society that has shaped Malaysia today. It then proceeds to elaborate on the cultural values held by the Malaysian multi-ethnic society and how these values shape their attitude, communications and responsible behavior. Positive ethnic relations are vital to maintain Malaysian social stability and economic growth. The chapter underlines the racially fuelled incidents of May 13, 1969 which strongly influenced the formation of key policies in Malaysia including Vision 2020. Chapter 3 proceeds to provide intensive elaboration on PR development in Malaysia from its colonial period until the present day. The discussion highlights the function of PR at different phases in history and discusses significant events and policies that contributed to its development. Finally, the chapter illustrates early CSR practice in Malaysia which entails its development. The discussion also focuses on the private sector and government as the primary drivers that reinforce CSR practice in the country. Ultimately, it examines the role of CSR in driving competitive business and pursuing national development.

3.1 Malaysia: History, politics and socio-economic at a glimpse

Malaysia is an independent state that is nestled in South East Asia with Thailand spanning in the North and Singapore in the south. The country's rich resources attracted foreign mercantile, and served as major factors throughout Malaysia's long history of colonization. The country had been colonized for more than 400 years before achieving its independence in 1957 (Amran & Susela 2008). The Portuguese was the first colonial power to settle in Malaysia, known as Malaya in the sixteenth century (1511) (Ibrahim & Joned 1987, Idid 2004), followed by the Dutch (1642) (Ibrahim & Joned 1987; Idid 2004), and the British (1786) (Hussin 1998). Japan had ruled Malaya for a brief period when World War II struck in 1941 (Ibrahim & Joned 1987, Idid 1994). Malaya was once again governed under the British administration after the Japanese downfall in 1946 and achieved independence in 1957 (Idid 2004). The British influence dominated Malaysian education, language, religion, law and administration (Ibrahim & Joned 1987; Abdullah & Pedersen 2003). This section purposely elaborates on the British colonial period in view of the immense impact the period had on the socio-economy and political development of Malaysia.

To date the country has a population of approximately 28.31 million (Department of Statistics Malaysia 2010) in an area covering 330, 252 square kilometers (Economic Planning Unit 2009). Malaysia consists of twelve states ²¹ including one Federal Territory, Kuala Lumpur, which is located in Peninsular Malaysia, and another two states; Sabah and Sarawak, on the East of Malaysia. The country consists of three main ethnic groups; *Malay* is the indigenous group which

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²¹ Perlis, Kedah, Pulau Pinang, Perak, Selangor, Negeri Sembilan, Melaka, Johor, Pahang, Terengganu and Kelantan whereas Sabah and Sarawak are both located within the Island of Borneo.

represents 54.7% of the total population (Department of Statistics 2009, p. 4). The Malay is considered as the oldest indigenous people, enjoying the status of Bumiputra; the 'sons' and 'daughter' of the soil (Abdullah & Pedersen 2003). In the Federal Constitution, Malay refers to a person who professes the religion of Islam, habitually speaks Malay language, and conforms to Malay customs (Federal Constitution 2005, p. 198). The Constitution also affirmed *Islam* as the official religion of the Federation (Federal Constitution 2005, p. 20) and this is largely practised by the *Malays*. Nevertheless, freedom to practice other religions also applies. Beside the *Malays*, other significant indigenous people inhabit Sabah and Sarawak and they are also considered as Bumiputra. They include Kadazan, Dusun, Bajau, Murut, Iban, Bidayuh and Melanau, and they account for 11.9% (Department of Statistics 2009, p. 4) of the population. A massive immigration of Chinese and Indian workers into Malaya during the British era has contributed to the country's multi-racial landscape (see Abdullah & Pedersen 2003, p. 22). At present, the Chinese make up 24.5% of the overall population, and a further 7.5% are Indian (Department of Statistics 2009, p.4). It has been reported that about 80 languages can be found in Malaysia nonetheless, the dominant ones are Malay, English, Mandarin and Tamil (Hussin 1998, p. 111). Bahasa Malaysia is the official language of the country while English is regarded as the second language and is widely used in the work place and in some educational institutions.

It is important to highlight that national unity was a precondition of Malaysian independence. The huge victory of the Alliance party (a coalition of three political parties; representing the Malays²², the Chinese²³ and the Indian²⁴) during the preindependence federal elections in 1955 had proved that the multi-racial groups in

²² The Malays formed the United Malays National Organization (UMNO)

²³ The Chinese formed the Malayan Chinese Association later changed its name to Malaysian Chinese Association (MCA)

Malaya were capable of living in peace and harmony (Mahathir 1998). This ultimately forced the British to grant independence to the country. Subsequent to the pre-independence election, a multiracial delegation was sent to London, led by the UMNO President and the Alliance leader, to demand independence (Mahathir 1998, p. 4). Since then national unity serves as a long term vision and a challenge to all Malaysians.

Since its independence, Malaysia practices a system of Parliamentary democracy with a constitutional monarchy. Its parliamentary system is made up of *Yang DiPertuan Agong* (His Royal Highness), the Senate (upper house) with 70 members, and the House of Representatives (lower house) with 222 members (Economic Planning Unit 2009). *Yang DiPertuan Agong* is elected among the Royal Highness of the eight states and *Yang DiPertuan Besar* of Negeri Sembilan who has a turn to ascend the national throne (Hussin 1998, p. 108) which takes effect every five years consecutively. The *Yang Dipertuan Agong* is in power to govern matters regarding religion and customs. In Malaysia a general election is generally held every five years to elect the members of the lower house and state legislatures (Economic Planning Unit, 2009). In view of its long term history in governing the country since independence, Malaysian politics was largely shaped by *Barisan Nasional* or BN, a coalition of fourteen parties. The Malaysian government administration is divided into two sections: the federal government and the state government. Dato' Seri Najib Tun Abdul Razak is the current Prime Minister and Head of the Federal government.

3.1.1 Social and cultural landscape

Samovar & Porter (2001) defined culture as a 'shared learned behavior which is transmitted from one generation to another for the purposes of promoting individual and social survival, adaptation, growth and development' (p. 33). This thesis follows Hofstede (1984) definition of culture as 'the collective programming of the mind which distinguishes the members of one human group from another' (in Sriramesh & Takasaki 1999, p. 340). The diverse cultural values and religious beliefs practised by the multi ethnic groups endow Malaysia with a relatively unique cultural landscape. Living in a pluralistic society requires Malaysians to be highly tolerant, respectful, and to adopt a mutual understanding if harmony is to be maintained in the long term. Malaysia's enduring vision is to create a united Malaysian nation or 'bangsa Malaysia' (Malaysian nation) in which the different ethnic groups are able to share a common national identity and maintain a high level of ethnic tolerance (Abdullah & Pedersen 2003, p. 24). Yong (1998) affirmed that Malaysia as a nation is a political concept which emphasises a pluralistic notion of nationhood (p. 99). In this context, Yong (1998) argued that the ability to accommodate different identities within a framework of shared values and ideals is a vital condition to maintain harmony in a pluralistic society. Therefore, the vision to create a Malaysian nation should never impede the multi-ethnic groups in Malaysia from maintaining their individual identity. This is well manifested in Abdullah & Pederson (2003) when they affirm:

'Present day Malaysia is multicultural, multilingual and multireligious, where different groups and communities live side by side, while maintaining their separate identities' (p. 17).

Hofstede's (2001) work on culture has been widely used as a significant point of reference to enable the understanding of a nation's cultural values. Hofstede (2001) identified four dimensions of values that influence behavior and communication. The four dimensions are: individualism-collectivism; uncertainty avoidance; power distance; and masculine-feminine. Hofstede (1991), in a study in 1983, found that Malaysians had high power distance, low individualism, moderate masculinity and relatively weak uncertainty avoidance scores when compared with different countries (in Selvarajah & Meyer 2008, p. 696). Power distance illustrates how people deal with inequality in society. Those belonging to the high power distance group recognized that people are not equal, and they value a social hierarchy that places importance on status and rank. This sense of hierarchy has been clearly manifested in both the social and business contexts in Malaysia. For example, in a Malay community the young never address the elders by their first name, but use a specific term that signifies their position in the family i.e. Pak Long (eldest uncle), Pak Ngah (second uncle), Pak Lang (third uncle) (see Hussin 1998, p. 112; see also Abdullah & Pedersen 2003). This sense of showing respect to the elders using specific titles to indicate family relationship is also apparent among *Chinese* and *Indian* families. Similar hierarchical practice also applies through the use of honorifics for certain individuals to indicate their social status or level of authority. This is mainly observed during official functions. For example, Yang Mulia (The Royal Highness) for royalty and Yang Berhormat (The Honourable) for ministers and political leaders (Hussin 1998, p.112). In addition, this hierarchy system is clearly manifested in the relationship between the ruler and the ruled which claimed to be rooted since the feudal era (absolute monarchy) in Malaysia (1400-1511) (Mohd Sani 2010, p. 21). The feudal system gave absolute power to the ruler and had responsibility to protect the people who in returned had political duty to be loyal. This

relationship has continued to be practiced at present state whereby the people are expected to show respect to the ruler i.e. *Sultan* (Head of the state), *Yang Dipertuan Agong* (the Royal Highness) and other political elites which include the government. Respect includes not to criticize or to threaten those who are in power (Mohd Sani 2010).

Furthermore, individualism emphasizes independency, achievement and competition. In this context, Malaysians have low individualism values and are thus inclined to practice cooperation rather than competition. Masculine society illustrates people who tend to be domineering, ambitious and assertive (Samovar & Porter 2001). Malaysian society is classified as being moderate in this sense thus; it tends to be less dominating and is inclined to value relationships, and cooperation with others. This value has largely shaped the concept of politeness within Malaysian culture. Being polite means humble, low-keyed, deferential, self-effacing and compromising in his or her mannerisms including verbal communication (Abdullah & Pedersen 2003). In Malaysian culture, those who illustrate confrontational behavior are labeled as rude or improper. At the same time, it has been affirmed that the Asian style of communication is often vague, indirect and implicit (see Samovar & Porter 2001). This mode of communication is also apparent among Malaysian society where information is largely embedded in the context and in the person, rather than in their verbal messages.

Ultimately, uncertainty avoidance refers to people's ability to deal with uncertainty. Weak uncertainty avoidance tends to accept uncertainty as inherent in life. Samovar & Porter (2001) described people with low uncertainty avoidance 'as being more willing to take risks, more flexible and more relaxed' (p.69).

Critics asserted that Hofstede's study tends to treat all Malaysians as homogenous because he used the nation as a unit of analysis (see Fontaine, Richardson & Foong 2002; Selvarajah & Meyer 2008), rather than groups within a nation. Local studies suggested that the three ethnic groups in Malaysia; Malay, Chinese and Indian hold to unique values (Abdullah & Lim 2001 in Fontaine & Richardson 2005; Selvarajah & Meyer 2008). Despite their converging cultural values the three ethnic groups demonstrate significant differences in terms of religiosity (Abdullah & Lim 2001 in Fontaine & Richardson 2005, p. 71). Fontaine, Richardson & Foong's (2002) cultural survey generated consistent results when it revealed that Malays tend to give greater importance to religion compared to other cultural groups. As mentioned earlier, the religion of the Malay is Islam (see section 3.1 Malaysia: history, political and socio-economic at a glimpse). Islam is not merely a religion but is a way of life for all Muslims (those who practice *Islam* are identified as Muslims). The *Quran* (the holy book for Muslims) and *Hadith* (the sayings of the prophet) are two main sources of guidance for Muslims. At the same time, Muslims are expected to uphold the five pillars²⁵ of Islam which include giving alms or *zakat* to the poor if they are financially capable of doing so. All these rituals should be performed for the sake of expressing gratitude to God. It is important to note that Muslims' behavior, including doing good in society, may largely result from religious influence.

Moreover, the distinctive values hold by the three ethnic groups in Malaysia has been made explicit by Abdullah & Pedersen (2003) in their book 'Understanding multicultural Malaysia: Delights, puzzles and irritations', which extensively explained

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²⁵ The five pillars of Islam include showing one's admission to God, praying five times a day, fasting for a month during the month of *Ramadhan*, giving alms to the poor and performing the annual pilgrimage to Mecca at least once in a life time (Mawdudi 1993).

the cultural orientation of each ethnic group. It is important to note that value differences held by Malaysians greatly affect their attitude and behavior including communication. Malaysian cultural values will heavily illustrated particularly at the analysis chapters of this thesis (see Chapter 5, 6 and 7).

3.1.2 Ethnic relations and national policies

Preserving sound ethnic relations is easier said than done. Malaysia learned a hard lesson from the dark incident of racial clash in 1969. This incident led to the shaping of the Malaysia that we know today. The May 13, 1969 racial outbreak was real evidence of poor ethnic relations in Malaysia. Mahathir, in his book 'the way Forward' (1998), affirmed that the racial riot of 1969 was partly attributed to economic imbalances between races which were rooted in the 'divide and rule policy' introduced during the British colonial period. The policy had kept the three ethnic groups apart geographically to pursue a specific economic function; the *Chinese* people were placed in the urban sites and involved in commercial jobs e.g. tin mining activity, the *Indians* worked in the rubber estates, while the Malays mainly living in the villages and were predominantly peasant farmers (Abdullah & Pedersen 2003). Unlike those living in the city, the Malays were largely deprived, neither participating in commercial activities nor in education. Mahathir (1998) affirmed that the separation of the economy based on race has created huge economic gaps between the ethnic groups and has resulted in discontent among the Malays. Furthermore, Idid (2004) asserted that poor communication with regards to government policies served as another reason that contributed to the riot. He stated that:

'The lack of information bred suspicion among the *Chinese* and the *Malays*, leading each to believe that the

other was getting a better deal from the government.' (Idid 2004, p. 215).

Furthermore, *Malays'* frustrations escalated after independence when the Alliance government failed to alleviate poverty issues among the *Malays*, while the *Chinese* continued to dominate the business activities. Subsequent to the racial clash, the government introduced the New Economic Policy (NEP), a twenty year economic plan (1971-1990) that gave attention to the equitable distribution of wealth among races. The NEP's two-prong objectives were to:

- Eradicate poverty irrespective of race;
- Eliminate the identification of race with economic function (Mahathir, 1998, p. 9).

In this context, the NEP was viewed as a massive effort to 'correct an injustice resulting from past policies and actions' in Malaysia (Mahathir, 1998, p. 73). Mahathir (1998) equated the NEP with a moderate form of affirmative action which is somewhat similar to positive discrimination which favours minority groups in the US. In this regard, the NEP created an opportunity for *Bumiputra* to participate in the mainstream economy in order to acquire at least 30% of the nation's economic wealth by the year 1990 (Jomo 2004). It has been reported that prior to the introduction of the NEP, the *Bumiputra* only controlled 2.4% of the nation's economic wealth, while the non-*Bumiputra* owned more than 30% (Mahathir 1998). Several key policies were introduced by the government in the 1980s which were purposely designed to create the appropriate ambience that would help to achieve the NEP's target: for example, the 'Privatization' policy and 'Industrialization' policy (see details of these policies at 3.2.3 *PR: Promoting government policies*). The Privatization policy had largely succeeded

to attract foreign direct investment (FDI) and subsequently spurred more business opportunities leading to substantial economic growth. This has opened doors for the *Bumiputras'* participation in business. Besides, these policies have to some extent impacted on the growth of PR in the country (which will be elaborated in the following section). Nonetheless, critique affirmed that these government policies were unjust as it portrays 'favouritism for *Malays*' (Taylor 2000, p. 206). Such critique illustrates that the concept of social justice including equal distribution of wealth requires in-depth understanding of the history, socio-cultural, economy and political context of Malaysia, as elaborated in the earlier part in this section. It is important to note that the "social restructuring" targets²⁶ of NEP continues to be inherent in the Vision 2020 and in the Malaysian New Economic Model (2010-2015).

3.1.3 <u>Vision 2020</u>

Vision 2020 was formulated during the tenure of the former Prime Minister, Tun Mahathir Mohamad. The Vision, among others targets, aimed to transform Malaysia into a developed nation within its own mould (Economic Planning Unit, 2010). Vision 2020 has outlined nine challenges:

- Establishing a united Malaysian nation made up of one bangsa (nation)
 Malaysia
- Creating a psychologically liberated secure and developed Malaysian society
- Fostering and developing a mature democratic society

²⁶ The NEP set a restructuring target of 30: 40: 30, where by 1990, the holdings of the Bumiputeras should reach 30 per cent, other Malaysians 40 per cent and the foreigners 30 per cent, in the context of an expanding economy. Although the Bumiputeras have not achieved the 30 percent equity ownership target by 1990, the progress made by them has been substantial compared to the position in 1970 (The New Economic Policy, 2011).

- Establishing a fully moral and ethical society
- Establish a matured liberal and tolerant society
- Establishing a scientific and progressive society
- Establishing a fully caring society
- Ensuring an economically just society in which there is a fair and equitable distribution of the wealth of the nation
- Establishing a prosperous society with an economy that is fully competitive, dynamic, robust and resilient

(Economic Planning Unit, 2010)

The ultimate aim of this Vision is to form a united nation that is infused with strong moral and ethical values, democratic, liberal and tolerant, caring, economically just and equitable, progressive and prosperous (Najib 2004). Many initiatives have been formulated by the government to ensure ethics are well embedded in society; for example the National Integrity Plan (NIP)²⁷ has been launched to inculcate the practice of good governance and ethics among all level of society including: the family as a basic unit of institution; public sectors; private agencies; and social agencies (National Integrity Plan 2004). As the main economic driver; business has not being excluded from performing its social obligations. In this context, the government strongly encouraged business to model best practices, including making social investments to develop the nation. Parallel to this call, in 2007 the Ministry of Women, Family and Social Development has introduced the 'Prime Minister' award to businesses that had been actively engaged in socially responsible activities. This award served as an incentive encouraging Malaysian companies to embrace best practices while making

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²⁷ The NIP is a master plan that aims to provide directions and guidance to the society and the nation at large. It aims to cultivate and strengthen a way of life for members of the society and the nation that upholds high moral ideals and ethical standards, thus becoming a nation of integrity (National Integrity Plan, 2004, p. 17)

substantial contribution to society. At the same time, such practice is considered central to the enhancement of business competitiveness.

The government under the recent premiership of Datuk Seri Najib Tun Razak has launched the New Economic Model (NEM) that is geared to transform Malaysia's economy and allow Malaysia to progress and join the league of high-income nations (National Economic Advisory Council 2011). On this note, eradication of poverty remains a significant focus for the government. The private sector has been given greater opportunity to drive the economy and more prospects have been provided for active Bumiputera involvement in business. At the same time, the government continues to reinforce national unity through One Malaysia's concept that promotes 'People first, performance now'. This slogan has been heavily promoted in the mainstream media i.e. through songs, advertisements, and events to engender national unity. Subsequently, the Government Transformation Programme (GTP) has been launched to enhance government's delivery system and enable it to become more efficient. The GTP also encourages a smart partnership between the public and private sectors to support public delivery and social development (Putrajaya Committee 2010). At the same time, government linked companies (GLCs) have largely focused on social development programmes through CSR efforts as part of GLCs Transformation programme which will further elaborate in the next chapter. Likewise, the private sector has been strongly encouraged to perform its social obligations through a similar initiative. I strongly argue that government key policies have a strong influence on the development of CSR in Malaysia which will be further illustrated in the analysis chapter.

3.2 PR in Malaysia

The first part of this section focuses on the history of PR in Malaysia by giving emphasis to the function performed by PR practitioners at different phases, beginning prior to World War II up to the present era. Next, the discussion elaborates on key policies that have largely affected the growth of PR in Malaysia.

3.2.1 <u>The development of PR in Malaysia : The socio-cultural, economic and political</u> determinant

PR in Malaysia is a unique development that has not only captured the interest of local scholars, but has often been singled out by international scholars as an example or case study from the South East Asian region, alongside Singapore (e.g. Leuven 1996; Leuven & Pratt 1996; Taylor 2000; Taylor & Kent 1999). Leuven (1996) advanced two reasons for selecting Malaysia as a country for the study of international PR. He affirmed that PR practice in Malaysia was a product of unique social and cultural values along with the influence of its economic growth that work to meet specific interests of both government and business. He encapsulated these reasons by stating that:

'..illustrates how professional practices change in response to economic growth, integration of language groups, shifting societal norms, and expansion of the media along with other communication outlets. Second, PR's development demonstrates a transition from a practice dominated by government nation building campaigns to one that is privately owned, yet continues to give concerted attention to nation building or development communication programmes.' (Leuven 1996, p.207)

Scholars concurred that the socio-cultural, economic and political aspects of one country determined the development of its public relations and practice (see Al-Enad 1990; Sriramesh & White 1992; Sriramesh 2004). Al-Enad (1990) argued that it is imperative to understand the philosophy underpinning the practice of PR in a specific nation in order to have a clear grasp of its unique role. In a similar vein, Taylor & Kent (1999) emphasized the importance of considering a nation's social contexts prior to determining the correct PR function. They stated:

'Effective PR must also consider the unique social, economic, and political condition of a nation. That is, every nation has a slightly different view of the uses and functions of PR and this view is determined by the unique history and living conditions of that nation.' (p.134)

Hence, what is considered as effective PR in one country may not be the case in another, in view of each country's unique social, economic and political differences that eventually shape the practice.

3.2.2 PR: Different phases of development

Scholars were not of a similar opinion when PR started in Malaysia (see Idid 1994, 2004; Adnan 2008). However, this thesis concurs with Idid (2004) that the modern practice of PR took place when the Public Information Department was formed by the British during its occupation in Malaya before World War II.

At that juncture, PR during the colonial period was mainly used as an instrument of propaganda to rally support for the British from all its colonies. This was clearly illustrated from the establishment of the Public Information Department which mainly functioned to counter the Japanese propaganda in Malaya. The Japanese had used

persuasive slogans to win the hearts and minds of the people as part of their propaganda efforts: for example, 'Asia for Asian People', 'Liberating Asian from Western Domination' etc (Adnan 2008, p. 154). These slogans served to spark hatred among the local population towards the British and subsequently engendered support to the Japanese.

The intense pressure from the Japanese had forced the British to form a new department; the Department of Information and Publicity in 1940 (Idid 1994). Its function was to subsume some of the functions of the former department and to expand general war publicity, the release of official information, disseminate news through government departments, and co-operate with the Ministry of Information in London and Singapore (Idid 2004, p. 212). The establishment of these departments provided a significant role for PR in order to keep the colonial power informed about the war situation, and to maintain support from the local population when power was threatened by the Japanese. However, the two departments ceased to function when the Japanese invaded Malaya.

Leuven & Pratt (1996) affirmed that PR served as a mechanism for achieving political stability and national unity after World War II (p.95). The British returned to Malaya in 1946 when the Japanese surrendered their power completely (Idid 2004). Soon after regaining control, the British introduced a PR Department in all states in Malaya to re-build Malayans' confidence towards the British in view of them having lost to the Japanese, and to restore law and order in the country (Idid 2004). PR Departments had actively organized campaigns as mechanisms to educate and change people's attitude and behavior. For example, people were strongly encouraged, 'through

a food campaign, to grow rice and vegetables to overcome food shortages after the war' (Idid 2004, p.213).

British power was once again threatened by the Communists' insurgency which put Malaya in a state of emergency from 1948 to 1960 (Idid 2004, p. 213, see also Adnan 2008). During this period, the Malayan Communist Party, known as *Parti Komunis Malaya* (PKM), aimed to topple the British administration and ultimately take full control of Malaya. Among PKM's major strategies to acquire support from the locals was the fight for Malayan liberation from the British. In response to this threat the British had used psychological warfare to galvanize support from the people and to eventually reject communism (Adnan 2008). Idid (2004) chronicled that the Department of Information Services, which was formed in 1952, had succeeded in winning the hearts and minds of the people, and in combating the communists' influence through various social welfare programmes organized by the British. The British High Commissioner in Malaya, Sir Gerald Templer, had reiterated the importance of this psychological warfare strategy when he stated that:

'The answer lies not in pouring more troops into the jungle but rests in the hearts and minds of the Malayan people.' (C.N. Parkinson, 1954, p.23 in Adnan 2008, p. 229)

The British realized the importance of understanding the needs of the people. During his tenure, Templer had deployed the 'Operation Service' which aimed to improve the condition of the population by providing them with basic needs: food, financial assistance, hospitals, and schools (Adnan 2008). At the same time, the British had been generous in giving citizenships to the Chinese, which ultimately weakened Chinese support for the Communists (Mahathir 1998; Adnan 2008). In the interim, the

central strategy utilized by the British to keep the people on its side was its promise to give independence to Malaya (Adnan 2008). It has been observed that modern techniques of PR had already being used during this colonial period. Britain had succeeded in keeping its power from the Communists by utilizing relational techniques, and maintaining good relationships with the locals by giving considerable attention to their needs and expectations. This strategy proved effective in winning the hearts and minds of the Malayans. The psychological warfare strategy also suggested that PR in its early years acknowledged that power rests with the people. Thus, to maintain power and influence means to earn trust and confidence from the public.

On the other hand, PKM's aspiration to fight for Malayan independence through its 'Asia for Asian' slogan had dwindled, due to its failure to understand the needs of the people. At the same time, their vicious treatment towards those who opposed them had always been counterproductive (Adnan 2008). Therefore, I argue that PR during the colonial period has been primarily used to pursue the British colonial agenda, and ultimately maintain power. This is consistent with Adnan (2004) as he affirmed that colonial PR was purely propaganda to fight 'for the cause of the imperial master' (p.126).

Furthermore, aspirations of being an independent nation have brought people of different ethnic groups together. Under the reign of Tunku Abdul Rahman Putra Al-Haj, Malaysia had achieved independence without any bloodshed in 1957. PR was again used to prepare the population for information about their rights and responsibilities as an independent nation. Prior to organizing the first general election in 1959, the Department of Information Services held a series of campaigns that mainly aimed to

persuade people to exercise their rights while educating them on the process of voting (Idid 2004).

PR performed a significant function after independence. Malaysia's proposal to form a Malaysian Federation, composed of Sabah, Sarawak and Singapore, received strong opposition from the Indonesian leader; President Soekarno, who claimed Malaysia was a neo-colonial set-up and thus the proposal should be opposed by the Non-Aligned Nations (Idid 2004, p. 214). However, the 'Confrontation' launched by Soekarno in 1963 was construed as entirely driven by his self-interest. According to Tunku Abdul Rahman (1986) in his book 'Political Awakening', Soekarno himself wanted Malaya to expand his empire. The 'Confrontation' had implications for Malaysia's international affairs. The pressure imposed by Soekarno moved Malaysia to lobby support from its international counterparts and subsequently changed Malaysian foreign policy to be more outward looking (Idid 2004, p. 214; see also Adnan 2008).

The period after independence witnessed a racial riot on May 13, 1969 that triggered bloodshed among several ethnic groups due to discontentment and suspicion (see 3.1.2 Ethnic relations and national policies for details). It had been reported that poor communications in relation to Malaysian policies served as one of the main reasons for the riot. This ethnic clash had implication for the development of PR in Malaysia. The Sambanthan report (named after the Cabinet Minister who headed the study) had recommended PR officers to be assigned at various ministries to (Ibrahim 1987 in Idid 2004, p.215) keep local people informed of national policies. Part of PR's role was also to ensure sensitive issues were handled with extra caution to prevent racial

conflict. In addition, the national charter or also known as the *Rukunegara*²⁸ was introduced to promote national unity. At this juncture, PR was mainly used to educate the people in relation to government initiatives; to make them understand the philosophy behind every policy introduced by the government and to prevent discontentment and conflict among races. At the same time, PR was also responsible for promoting harmony and understanding among multi-ethnic groups in Malaysia.

The then prime minister, Tun Abdul Razak (1972), has acknowledged PR's significant role in nation building. He stated that:

'The primary task of PR in terms of a national endeavour is not only to inform but to move people into action. In this context the government emphasizes the important role of PR in helping it to realize the objectives of NEP, especially with regard to restructuring of the Malaysian society.PR has to convey these messages to the people and to ensure it is well understood by all segments of our multi-racial population' (in Idid 2004, p. 216).

This implied a new beginning of proactive PR that served beyond communication and strove to maintain social stability among the multi-ethnic groups, which is imperative in order for the nation to prosper economically. At the same time, PR functioned as the government's mouthpiece has been explicit. This is evident when most PR activities were largely geared to achieve the government's aspirations and to maintain the status quo.

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²⁸ The principles of *Rukunegara* encompasses of – Belief in God, Loyalty to the King and country, upholding the Constitution, rule of law, and good behavior and morality.

3.2.3 PR: Promoting government policies

In the 1980s, the country had embarked on several policies that expedited the process of moving forward from an agricultural based economy to an industrial nation. The 'Malaysian Incorporated', 'Industrialization' and 'Privatization' were some of the key policies introduced to enhance Malaysian's competitiveness, which ultimately contribute to the nation's economic growth (Economic Planning Unit, 2010). Similarly, the implementation of these policies has lifted PR to a new height. This section provides a brief background to the key policies and how they have advanced the practice of the PR profession in Malaysia

'Malaysia Incorporated' was introduced in 1983 (Economic Planning Unit, 2010) as a new way to approach national development. The policy advocated the idea that a nation is a corporate entity. This drove the public sector to be more efficient and competitive, which was largely achieved through smart partnership with the private sector. At this juncture, the government had made efforts to lure international investors by reducing red tape and offering better incentives (see Yong 1998). This initiative has spurred huge business opportunities for local and international businesses which in turn created a more competitive business environment than ever. In this respect, firms were in dire need of developing a positive image and reputation in order to secure confidence from its business counterparts and strategic partner i.e. the government. Both private and public sectors realized that a positive corporate image and better relations with strategic stakeholders would help them to reap business opportunities. This consequently opened wide opportunities for PR to make its presence felt in a corporate setting. An example of a strategic alliance between government and business could be

observed from the tourism industry which was spearheaded by the Tourism Promotion Board (an agency under the Ministry of Tourism). The agency's has called for a concerted action from private entities such as travel agencies, airlines, hotels, and shopping malls to work strategically to promote Malaysia to the world. A number of campaigns have been initiated to brand Malaysia – e.g. the Visit Malaysia Campaign, *Cuti-cuti* Malaysia (Malaysian Holidays), Malaysia Truly Asia, Mega sales campaign etc. (Ahmad 2004). In this respect, PR strategy was not only utilized to convey information about Malaysia but also to position Malaysia as an exotic destination to the world. Notwithstanding, the tourism industry also hosted World Class sporting events such as the Commonwealth Games in 1998, the world class Sepang Formula One Grand Prix, which was inaugurated in 1999, and Le Tour de Langkawi, just to name a few which further promoted Malaysia (Ahmad 2004). The planning and implementation of such large events provided significant levels of business to both PR and advertising agencies.

The 'Privatisation' policy was introduced within the same year to promote private sector participation in developing the nation's economy. This policy among others served to reduce the government's financial burden and increase its revenue from tax paid by profitable companies. At the same time, 'privatization' also functions to increase *Bumiputera* share of corporate ownership in order to accomplish the goal of the NEP introduced in the early 1970s (Yong 1998; Mahathir 1998). The policy resulted several state-owned entities being privatized thus helped *Bumiputra* to move into big business. Later on more government departments and projects have been transformed into *Malay* dominated giant private companies or known as government-linked companies (GLCs) (see Amran & Susela 2008). GLC is defined as companies that have

a primary commercial objective and in which the 'Malaysian government has a direct controlling stake to appoint board members, senior management, and/or make major decisions' (Ab Razak, Ahmad & Aliahmed 2008, p. 2). Despite this transformation, GLCs are heavily dependent on government support i.e. financial support, market protection and in some instances the government still holds significant shareholdings (Amran & Susela 2008, p. 388). In a wholly-owned GLCs, the government as a sole investor is free to drive key decisions without reference to any other shareholders. Similarly, government assumed the role of a major shareholder in a non-100% owned GLCs (The Putrajaya Committee GLC High Performance, 2006).

Early privatization involved national utility departments i.e., National Electricity Board, Telecommunication and Post Malaysia. Privatization exercise aimed to increase efficiency of the private sectors and subsequently encouraged them to play a significant part in developing the nation. Nonetheless, privatization also imposed great challenge for GLCs to compete with existing business firms including multinational companies which had started to make their presence in Malaysian market. This stiff competition has forced GLCs to transform in every aspect of doing business which include building a competitive image and making social investment to compete with their local and international business counterparts.

'Privatization' to some extent has impacted the growth of PR in Malaysia. Companies sought assistance from PR agencies at an early stage of privatization as they had insufficient manpower to manage their communication activities and a lack of expertise in financial relations, for example, Telekom Malaysia had engaged several PR agencies to help them with the privatization process (Sharifah, personal communication,

May 2004 in Ahmad 2004). Privatization has changed the focus of these newly formed corporations from merely providing services to the public into profit driven entities. Such demanding roles require business to pay greater attention to relationships with various public bodies and also engage in image building. According to Idid (2004) most of these companies established their own in-house PR (commonly known as a Communication Unit) and needed to hire external consultants particularly to manage their communication strategies, and to create a favourable image to lure customers and investors to their services and products. 'Privatization' policies have made the private sector the primary engine of economic growth, and this has contributed to a more competitive market. PR function has gradually been transformed to meet the need of market driven organizations. At the same time, the PR function has involved a wider range of stakeholders - customers, investors, government and community, with the aim of maintaining their trust and confidence and thereby helping businesses to achieve their economic goals.

Drawing from the same premise the then Finance Minister, Tun Daim Zainuddin (1999), underlined the role of PR in bringing back investors' confidence to invest in Malaysia's markets in the midst of the Asian economic crisis in the 1990s. He termed the government's action of reviving the economy as a 'strategic PR effort' using PR to win back the people's confidence in the Malaysian economy' (in Idid 2004, p.221).

Furthermore, the 'Industrial' policy was introduced to expedite the growth of the Malaysian economy from reliance on agriculture to an industrial based has positively affected the growth of PR in the country. This policy amongst others has lured foreign business to bring in capital, technology and innovation to Malaysia. Foreign business

has set foot in Malaysia mainly because of its 'business-friendly environment, the rule of law, orderly government processes and institutions, sufficient infrastructure and an educated workforce' (Zefferys 2001, p.226). The Government's pro-business policy and Malaysia's rapid growth in the early 1990s has advanced the development of PR in the private sector, mainly among multinational organizations. At this juncture, the role of PR was not only confined to helping government in pursuing the national agenda, but also to be more market driven to pursue an organizations' commercial goals. In this respect, building a good relationship between the local population and government was viewed as vital to secure a license to operate for multinational companies. Heath & Cousino (1990) recognized the importance of communicating with key stakeholders such as government officials to benefit from favourable public policy decisions (in Taylor & Kent 1999, p.134). In addition, a study of PR roles and function conducted in 1977 (in Idid 1994) revealed that maintaining relationships with other government departments was one of the most frequent roles enacted by PR practitioners in Malaysia.

Jefkin & Lowe (1991) added that 'corporate PR was often used to narrow the cultural distance between foreign companies and the local environment' through the creation of special events (in Leuven 1996, p.210). Besides, early PR activities in the private sector were initiated by multinationals firms that directed at winning government favour by lending financial support to the government's nation building programmes (Leuven 1996). The need to develop strategic relationships with the government and local populations has lured more international PR agencies to set foot in Malaysia. The first PR consultancy was an Australian based agency Eric White Associates which was formed in 1965 with offices in Kuala Lumpur and Penang (Idid

1994). Since then, from the 1970s to the 1980s, more international PR agencies have started to make their presence in Malaysia, such as Burson Marsteller, Edelman, Hill & Knowlton, Fleishman & Hillard, and Weber Shandwick just to name a few (Ahmad 2004). These agencies offer their services particularly to multinational firms. Local agencies gradually made their debut into the market due to the growing demand from the private sector. In brief, the Malaysia economy has largely transformed to be more industrialized as a result of the implementation of these three policies; 'Malaysian Incorporated', 'Privatization' and 'Industrialization'. Industrialization has further advanced the PR profession into the corporate world in which its major function is to help corporations to endure in their competitive setting, and ultimately drive the business to achieve its economic goals.

3.2.4 PR: Pursuing government's pragmatic approach

Government continues to use PR to advocate its policies and agendas through campaigns and PR events. PR campaigns have been consistently organized to promote national unity, harmony and to enhance loyalty to the country i.e., the *Kibar Jalur Gemilang (Raise Malaysian Flag)* campaign, the *Kempen Kejiranan* (Neighbourliness campaign) and the *Buy Malaysian products* campaign, just to name a few. All these initiatives have largely demonstrated how government has used communication to achieve national aspirations (see Taylor 2000). Karim (1989) affirmed PR and propaganda is difficult to discern. She asserted that information is often used to maintain the status quo when she stated:

'Many Asian governments use information as an extension of their power. Indeed, their communications policies hinge around the provision of 'support' to the government' (p.22).

In a similar vein, more public campaigns were organized by the government to educate the populace on public issues. For example, the Ministry of Health has spent a huge amount of money on health related campaign activities i.e. Anti smoking campaign, known as 'Tak Nak' campaign, (RM 7mil), HIV/AIDS campaigns (RM3.5mil), dengue campaign (RM2.8mil), and the positive living habits related campaign *Healthy Living campaign* (a total of 5.9mil) (Pang, The Star, December 21 2006). Similarly the Ministry of Women, Family and Development Community launched the Family first, bring your heart home campaign to encourage Malaysians to adopt good family values as a way of life (Campaign, n.d.). It is worth noting that government campaigns ranked among the top product/service categories in terms of buying media air-time and space. It has been reported that in 2003, media spending by the federal and state government easily outpaced that by the private sector (Hafidz & Yap, The Star, July 10 2004).

The government has also employed PR activities to strengthen relationships amongst multi-ethnic groups in Malaysia. For example, an 'open house' event has been consistently organized to enable all Malaysians regardless of their race and creed to get together and celebrate the main festivals of every multiethnic groups in Malaysia i.e. Hari Raya Aidilfitri (mainly celebrated by the Malay-Muslim), Chinese New Year (Chinese community), Deepavali (Indian community), Christmas and others. Such activities not only offer people from different ethnic groups the opportunity to learn and appreciate other cultures but also provide an opportunity for political leaders to be close to the *rakyat* or citizen. In this respect, PR activities are used by the government to engage with the population and to enhance national integration.

The aspiration towards achieving national unity continues to be a significant agenda under the leadership of the sixth Prime Minister of Malaysia, Najib Tun Razak. The concept of *One Malaysia* has been introduced mainly to promote unity among Malaysians, as the country attempts to become a developed nation by 2020 (Najib, 2009). Under the slogan 'people first, performance now' the importance of engaging with the grassroots population via two-way communication between leaders and the people is accentuated. It has been observed that there are more channels of communication available for the public to reach political leaders. This includes the Prime Minister via an interactive official webpage and social media. In conclusion, communication activities and PR continue to be significant instruments used by the government to seek legitimacy, thus maintaining the support of the public.

3.2.5 PR: Education, professional development and research

The key players of PR could fit into four categories; the PR practitioners (inhouse), the consultants, free lance practitioners and academics (Idid 2004). Kaur (2002) found an upsurge of practitioners with degrees and postgraduate qualifications as compared to early research on PR profile carried out by Idid in 1978 (in Idid 2004). This paralleled with the growing number of institutions offering PR and communication degrees since the 1990s (Idid 2004, p.220). To date, more PR courses are offered both in public universities and private universities in Malaysia. However, the number of PR practitioners in Malaysia is not known since there has been no research initiated to trace practitioners. Nevertheless, based on a survey research conducted in 2004, it can be said that there are more than 80 PR agencies operating in Malaysia (Ahmad 2004).

The Institute of Public Relations (IPRM) which was formed in 1962 (Idid 2005) served as another milestone in the development of PR in the country. IPRM has been consistently providing training, talks and workshops for members since its inception. The Institute now has 809 members nationwide (Adnan 2009) and embarked on its first accreditation exercise in 2005 to enhance its professional legitimacy. The association has also joined the Global Alliance for PR and Communication Management in November 2004 to expand its network internationally (Jalil 2009).

Early studies of PR have been largely descriptive. Empirical work on PR has very much relied on the positivist frameworks; Grunig & Hunt (1984), Broom & Dozier (1979), and McLeod & Hawley (1964) (see Idid 1994) to measure PR's role and professionalism. This positivist approach has been dominant in early PR scholarship in Malaysia by virtue of the fact that most local PR scholars were US graduates. Research on PR status and practice in Malaysia (Idid 1978, 1994) revealed three roles that were mostly enacted by local practitioners ranging from managing public inquiries, receiving guests and maintaining relationships with other government departments (in Idid 2004, p. 221). A more recent study conducted among top executives in Malaysia revealed five core functions and responsibilities of PR. These are stakeholder relations, reputation management, corporate branding, and corporate responsibility and community relations (Abdullah & Threadgold 2007, p. 286). The study also suggested CSR and community relations to be one of the top agendas in the boardroom. In an earlier account, they proposed that Corporate Communication Directors assume an active role in shaping CSR initiatives and 'make the organizations act as responsible corporate citizens' (Abdullah & Threadgold 2006, p. 24). Idid (2004) has asserted a similar perspective when he affirmed 'PR serves as a strategic function of increasing the bottom line and helping the corporation to be a good citizen' (p.221).

In Malaysia, CSR is often included in the portfolio of Public Affairs or the Corporate Communication department. Recent studies have revealed that many organizations in Malaysia are using CSR as a PR tool (Lu & Castka 2009, p.149). However, no attempt has been initiated since then to investigate the role of PR in CSR. Therefore, the role of PR in CSR has often been taken for granted as no research is being initiated to examine practitioners' role in pursuing the practice. This has resulted in the motivational factors, challenges and complexities of enacting CSR among PR practitioners remaining unknown. In this regard, the preconceived ideas of PR's huge potential to contribute to businesses strategic goals or national development through CSR remained obscure. It is argued that inadequate emphasis on PR involvement and contribution to CSR would lead PR to assume a marginal role in CSR or in a worst case scenario; the practice is associated with a window dressing exercise. Therefore, this thesis aims to examine the role of PR in pursuing CSR initiatives among CSR renowned corporations in Malaysia, thus, filling the existing gap in the literature.

3.3 CSR in Malaysia

This section attempts to illustrate the humble beginnings of CSR practice in Malaysia which includes its progressive transformation in becoming a strategic tool that helped businesses to contribute significantly to the economic growth and social development of the country. The chapter begins by giving an overview of research development on CSR in Malaysia. The following section elaborates on the initiatives

taken by business organizations to pursue ethical business practices through selfregulating exercises. It then follows an examination of the role of government in reinforcing ethics and integrity within every layer of society, particularly among business organizations in the pursuit of achieving the national aspiration by the year 2020. Finally, the chapter addresses the role of CSR in driving competitive business.

3.3.1 Research on CSR in Malaysia

In recent years there has been a growing interest in examining the practice of CSR in the non-Western nations, particularly among countries in the Asian region (e.g. Chambers et al. 2003; Frynas 2006; Baskin 2006; Baughn, Bodie & McIntosh 2007; Chapple & Moon 2007; Visser 2008). Frynas (2006) maintained that firms from emerging economies are aware about social issues and are striving to become good corporate citizens. However, despite this encouraging development scholars asserted that CSR in Asia has been under-researched thus advocate for more empirical work to be conducted to provide better understanding of the practice and its limitations in these nations (see Frynas 2006; Chapple & Moon 2007). Scholars have challenged the idea that CSR practice in emerging economies is purely a Western influence. Instead the nations' unique cultural traditions, religion, history, social and economic factors have significantly shape the practice (see Frynas 2006; Visser 2008). This thesis intends to explore the practice of CSR in Malaysia based on a similar contention and to critically examine the role of PR in pursuing the practice.

It has been observed that academic discourse and research on CSR in Malaysia started to take shape in 1970s. In an early account, Gill (1978), former President of the

Federation of Malaysia Consumer Association, had raised concerns about some business malpractices adopted by local and multinational companies in Malaysia. Gill (1978) strongly exhorted businesses to assume greater responsibility to the community it served, and to voluntarily comply with existing regulations and codes of ethics that are intended to regulate business and trading practices.

The practice of CSR in Malaysia has started to receive attention in CSR research and international journals in recent years. Baskin (2006) in his comparative analysis has singled out Malaysia as one of the most active emerging economies to incorporate corporate responsibility (in Zulkifli & Amran 2006). In a separate account, Visser (2008) has acknowledged that Asia is the region most often covered in the literature on CSR in developing countries (p. 477), and named Malaysia as one of the countries that received significant attention from scholars (e.g. see Chambers et al. 2003; Baskin 2006; Zulkifli & Amran 2006). Nevertheless, most literature on CSR in Malaysia mainly focuses on the level of awareness and understanding of CSR concept (Teoh & Thong 1986; Ramasamy & Ting 2004; Zulkifli & Amran 2006; Lu & Castka 2009) and CSR disclosures (Nik Ahmad, Sulaiman & Siswantoro 2003; Amran & Susela 2008). Amran (2006) asserted that CSR reporting is normally handled by PR departments whose primary aim is to generate business publicity that yield further economic returns to business (Zulkifli & Amran 2006, p. 111). Furthermore, empirical studies on CSR disclosures among corporations in Malaysia revealed that social disclosures were mere attempts to improve companies' image rather than to provide useful information to stakeholders (Nik Ahmad, Sulaiman & Siswantoro 2003; Zain, Mohammad & Alwi 2006). Despite this close connection between CSR practice and PR found in the literature, no serious attempt could be found to further investigate the actual role of PR in CSR. This thesis intends to critically examine PR role in pursuing CSR practice in Malaysia that has been largely absent and taken for granted in the literature.

3.3.2 CSR: Early practice in Malaysia

The Malaysian government has introduced, since independence, various programmes which aim to enhance good moral values and integrity in the public sector i.e., 'Clean, efficient and trustworthy' campaign, 'Excellent work culture' campaign, 'Code of work ethics' (National Integrity Plan 2004) campaign, just to name a few. These initiatives were introduced to instill ethical practices within the work place.

In the area of business, an endeavor to promote an ethical business climate was set in motion in the 1990s. The Business Council for Sustainability and Development (BCSD) was formed in 1992 with a primary objective to advocate sustainable business development in Malaysia (Business Council and Sustainability Development, n.d.). Subsequently, the Business Ethics Institute of Malaysia (BEIM) was formed in 1997 that aimed to nurture values such as honesty, fairness, integrity and self regulation among businesses (Business Ethics Institute Malaysia, n.d.). In addition, the issuance of the code of corporate governance in March 2000 (Finance Committee on Corporate Governance, 2000) added the momentum for corporations to monitor their conduct. The governance code, which was largely an initiative of the corporate sectors, among others, set to reform the standard of corporate governance at the micro level in the pursuit of well managed and efficient corporations that are competitive at both a local and global level (Finance Committee on Corporate Governance, 2000). The drive to demonstrate a high degree of integrity and transparency seemed vital and timely to regain investors'

trust, when the corporate scene worldwide has been tainted with business scandals and malpractices. The Malaysian code of corporate governance was reviewed and amended in 2007 to strengthen the governance practices.

Apart from these self-regulation initiatives by the private sectors, the government has reviewed and amended several acts/legislation to further promote transparency and integrity. However, the then Deputy Prime Minister exhorted that having guidelines and legislations alone may not bring any significant change unless business leaders are committed to embrace 'good corporate ethics' (Najib 2006).

Early CSR practice in Malaysia was part of PR activity in the late 1960s. This was undertaken by multinational firms as an attempt to build relationships with the government by supporting various nation building activities. Arun (1993) has clearly explained this development:

'Public relations activities in the private sector began with the few oil multinationals informing their shareholders in Western countries about their activities in the region. Soon, however, they began courting government and public favor by underwriting sports, arts, and educational programs. In fact, governments tend to define corporate social responsibility in terms of financial support for the various nation building efforts.' (in Leuven 1996, p.212)

Such practice was consistent with Teoh & Thong's (1986) empirical study that illustrated companies with foreign ownership, particularly in more industrialized countries, are more aware of developments relating to social responsibilities (p.39). At the same time, it has found support in Bansal & Roth (2000 cited in Chapple & Moon 2007) who affirmed a positive relationship between internationalization, diversification and social responsibility. It is international firms that transfer best practice.

Empirical studies on CSR revealed managers in Malaysia have little understanding about CSR concepts (Zulkifli & Amran 2006) and its importance. A CSR survey initiated by Bursa Malaysia (2007) showed relatively low scores among public listed companies (PLCs) in terms of CSR practices and reporting. Andrew et. al.'s (1989) inter-country study found that the degree to which social disclosure is practiced in large Malaysian companies fell significantly short of the 98% and 85% figures returned respectively by large British and US companies (in Thompson & Zakaria 2004, p.127). Nevertheless, it is worth noting that organization's involvement in CSR efforts could not be quantified based on their CSR reporting. There was evidence that firms were actively involved in social performance but under-performed in social reporting due to the fact that such reporting is voluntary rather than mandatory (Haron, Ismail & Yahya 2007). In this context, firms could not see any tangible benefit to report on their social performance beyond meeting statutory requirements (Teoh & Thong 1986, p. 44). On the other hand, there has been growing evidence of an increased level of CSR awareness among Malaysian firms and that they strive to become good corporate citizens in recent years (Rashid & Ibrahim 2002; Ahmad & Rahim 2003 in Lu & Castka 2009, p. 147; Frynas 2006). This development seems promising when Malaysia eventually secured a leading position in the area of CSR reporting, leaving behind her other Asian counterparts such as Indonesia, Thailand, Singapore and Philippines (ACCA 2010).

Furthermore, despite the growing trends of reporting CSR, the motivation behind such disclosures among Malaysian firms was seldom clear (Amran & Susela 2008). Zain's (1999) interviews with local managers found that corporate social

disclosures is linked to government influence, a desire to follow latest trends and also commitment to Vision 2020 (cited in Amran & Susela 2008, p.390). The underlying motives of pursuing CSR practices among firms in Malaysia has been absent in the literature. This thesis among others aims to fill this gap by exploring the underlying motives of pursuing CSR from business perspectives in Malaysia.

3.3.3 CSR: Towards competitive business and a developed nation

It has been observed that the practice of CSR in Malaysia has been well embedded in both national policy and national agenda. The concept of responsible business practices has been rejuvenated when the then Prime Minister, Tun Mahathir Mohamad, announced Malaysia's aspiration to become a fully developed nation in its own mould by year 2020. Such aspiration has articulated nine challenges (see section 3.1.3 Vision 2020) to be overcome to attain the status of a developed country in which three of them are closely intertwined with ethics and CSR concept. Those three challenges are:

- Establishing a fully moral and ethical society
- Establishing a fully caring society
- Ensuring an economically just society, in which there is a fair and equitable distribution of the wealth of the nation (Economic Planning Unit, 2010)

The 'Vision' aims for a Malaysian society that has high ethical standards and cares for others. The government has embarked on initiatives, such as the National Integrity Plan (NIP) (see Chapter 3), to promote high ethical standards among every

layer of society Subsequent to the introduction of NIP, the Integrity Institute of Malaysia (IIM) was formed as a mechanism to further promote and coordinate the implementation of NIP (National Integrity Plan 2004). These initiatives demonstrate the government's commitment to achieving economic progress that is consistent with good personal values and corporate ethics (Najib 2004, p.9).

Responsible business practices have become more important than ever in driving the economy in recent years. Amran & Susela (2008) affirmed that Malaysian economy has been largely dependent on foreign direct investment (FDI) and this creates pressure for Malaysian companies to practice global business trends and that includes CSR (p. 389). This trend has spurred Malaysian firms to raise their business profile by adopting socially responsible business standards including CSR reporting that put them on a par with their international counterparts.

In Malaysia, government linked companies (GLCs ²⁹), and public listed companies (PLCs), are among the early key players that have championed the practice of responsible business. As a regulator Malaysian government has been committed to instill the CSR culture into companies particularly those that have a close liaison with the government such as GLCs. This commitment would largely enhance government's image at the global setting thus becoming a model of other developing countries (Amran & Susela 2008). In this regard, CSR initiatives are largely driven by government agendas, for example, the Government Link Transformation programme (GLCT)³⁰ which was introduced in 2004 to revitalize the financial performance of

²⁹ GLCs are companies that under the controlled or stewardship of the government which employ an estimated 5% of the national workforce and account for approximately 36% and 54% respectively of the market capitalisation of Bursa Malaysia and the benchmark Kuala Lumpur composite Index. (The Putrajaya Committee GLC High Performance 2006)

³⁰ A program that aimed to improve the performance of GLCs that would have a positive effect on the rest of corporate sector (The Putrajaya Committee GLC High Performance 2006)

government link companies (GLCs) and to accelerate the nation's social and economic development towards Vision 2020. Part of the programme is the 'Silver Book' initiative which was led by the Putrajaya Committee on GLC High Performance, known as PCG (ACCA 2010). Leading GLCs in Malaysia contributed to this program by making a substantial contribution to society and concurrently linking this with profitable businesses.

The 'Silver Book' which was launched in September 2006 (GLCT 2007, p. 27) serves to provide guidelines for GLCs in managing their social contributions and proposed several ways to measure such efforts. The 'Silver Book' has driven GLCs to pursue CSR at the national level in a systematic manner. For example, a number of GLCs have invested in human capital development through a school adoption program, known as PINTAR³¹, which is in line with the 9th Malaysian Plan's strategic thrust to enhance the nation's human capital (GLCT 2007). This initiative is considered to be the driving force for economic development.

Similarly, CSR initiatives has been on the rise among public listed companies (PLCs) following the announcement made by the then Prime Minister, Tun Abdullah Ahmad Badawi during 2007 budget speech for all PLCs to disclose their CSR activities to meet the listing requirement which ultimately enhance PLCs' competitiveness. The clause in the speech stated that:

'Public listed companies (PLCs) have achieved significant progress in corporate governance compliance. To inculcate the culture of corporate social responsibility

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³¹ Promoting Intelligence, Nurturing Talent and Advocating Responsibility is a school adoption programme initiated by PCG. In this programme, GLCs have given support to selected schools mainly in terms of motivation, tuition classes and social issues (GLCs Resilient in Economic Downturn, September 15 2009)

(CSR), PLCs are required to disclose their CSR activities. Such activities, which are in line with the nation's socioeconomic objectives, include providing opportunities domestic entrepreneurs, awarding to contract to Bumiputera vendors; ensuring ethnic diversity employment; as well as developing human capital. In addition, the CSR activities will include contributions towards the well-being of the rakyat (citizen), especially the less fortunate. It can be expected that PLCs which practice CSR are likely to attract investors, particularly large domestic and international institutional investors' (Badawi, 2006, p. 22)

In no time, Bursa Malaysia³² launched the CSR Framework to guide PLCs to manage their CSR activities based on four focal areas; environment, community, marketplace and workplace (Bursa Malaysia n.d.). This clearly demonstrates that CSR in Malaysia has moved beyond the social dimension but has expanded to include other issues.

In recent years there have been many other organizations that have adopted a similar approach and implemented commendable CSR exercises. This is evidenced by the 'Prime Minister's CSR award' which was held for the first time in 2007. This received 316 entries from 161 companies, including small and medium enterprises (Darshini 2007). In view of the increased interest towards CSR in Malaysia, this present study is initiated to explore the underlying motives among firms to embrace on socially responsible practices.

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³² Bursa Malaysia is an exchange holding company approved under Section 15 of the Capital Markets and Services Act 2007. Bursa launched a CSR framework as a guide for PLCs in implementing and reporting CSR on September 5, 2006 (Bursa Malaysia, 2007).

3.3.4 CSR: Championing the practice

The momentum to advance CSR continued when the Institute of Corporate Responsibility Malaysia (ICRM) was formed in November 2006 (ICRM, 2009). ICRM acts as a network of corporate institutions dedicated to advance responsible business philosophy and practices. The Institute has regularly organized training workshops, forums and conferences to raise an awareness of corporate responsibility. It serves as a platform for members to exchange ideas, with the aim of encouraging corporations to act responsibly, at a local and international level (ICRM, 2009).

In the interim, the government has continued to support socially responsible business practices through various ways, including providing tax exemption benefits for any investment or contribution made towards charitable institutions or upgrading public facilities. In the interim, a CSR fund was established with an initial sum of RM50 million to jointly finance selected CSR projects run by the private sector in 2009 (Badawi 2008). The government has extended support to preserve the environment by allocating 1.5 billion of fund to promote the green technology in the following year (Najib 2009).

In addition, there has been a growing recognition given to companies that adopted exemplary CSR initiatives, i.e. 'ACCA-MESRA reporting award', the 'Prime Minister CSR award', 'Star-Biz ICRM Corporate Responsibility' award, to name a few. These awards encourage companies to behave responsibly, and subsequently create more awareness of CSR in Malaysia. Agencies at the forefront in championing CSR

initiatives in Malaysia are Bursa Malaysia, The Security Commission³³, The Institute of Corporate Responsibility Malaysia (ICRM)³⁴, The Association of Chartered Certified Accountants (ACCA), The Malaysian Institute of Integrity (IIM), The Putrajaya Committee on GLC High Performance (PCG) and Government linked companies (GLCs), to name but a few.

The future of CSR in Malaysia is promising. Some organizations have already formed CSR departments that have acquired specific resources and manpower for managing CSR activities. However, to what extent CSR is understood by these corporations, and also their commitment and motivation in pursuing CSR practices, has not been explored. It is assumed that having access to such information is imperative in order to gauge the future direction of CSR in Malaysia.

CSR in Malaysia has gradually transformed from doing good to look good to strategic CSR; doing good to do well (ICR Malaysia 2008). This positive change has encouraged businesses to realize the value of being a socially responsible entity in order to be more market driven and profitable. It has been observed that corporations have been constantly practicing CSR up to and including a strategic level. This could open up wide opportunities for PR practitioners who are spearheading CSR in order to demonstrate their value to management. Hence, it is imperative to understand the position held by PR practitioners in relation to CSR initiatives in this context, and to identify plausible constraints that could hinder PR playing an important role in CSR.

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³³ A self-funding statutory body with investigative and enforcements power which mainly to protect the investors (The Security Commission, n.d.)

³⁴ ICRM is a network of corporate institutions formed in 2006 and mainly focuses on capacity building, research and sharing of CSR best practices and resources (ICRM, 2009)

Furthermore, investments made in CSR have also served as an opportunity for business to take part in national developments, particularly when they are pursuing initiatives that are aligned with national aspirations. It is important to note that the government and the corporate sector share responsibility for welfare and social work, which includes CSR initiatives.

3.4 Conclusion

This chapter provides background context of the thesis that aim to explore how CSR is practised in Malaysia and the role of PR in the practice. The thesis argues that the development of both PR and CSR is largely determined by the social, economic and political framework of a country. Drawing from the Malaysian experience, it is apparent that PR's role and strategy has gradually changed and expanded to suit a particular context and need, mainly to the advantage of the elites or powerful actors in society. For example, during the colonial period PR was mainly used as an instrument to keep the colonial power in control of Malaya now known as Malaysia. Subsequently, PR practices continue to evolve to meet the current needs of government and business. By the same token, CSR has been used as a PR tool to accomplish government's aspiration and business's objectives. Scholars affirmed that corporate responsibility is one of the core functions of PR in Malaysia. However, at present no research has been done to further explore PR role in CSR. This thesis attempts to extend the literature by critically examine on the actual role of PR in CSR by incorporating insights from real PR practitioners in the country.

On the other hand, CSR concepts are integral within national policies and also Vision 2020. The government envisaged CSR practices as part and parcel of enhancing business competitiveness and subsequently drives economic growth. At the same time, CSR activities also aim to nurture ethical behaviours and moral qualities among every part of society. High ethical standard along with economic prosperity claimed to be fundamental criterion in creating a developed nation within Malaysian context. However, the actual motivation that drives CSR practices in the country received little attention in the literature. Therefore, this thesis aims to bridge this gap by exploring the motivation underlying CSR practice among CSR renowned corporations in Malaysia.

CHAPTER 4: METHODOLOGY

This chapter explains the methodological approach adopted in this thesis and justifies the form of empirical enquiry. It begins with the research question, a philosophical paradigm that determines the methodology and methods employed for the thesis. Subsequently, it gives an account of the analytical approach and process, then finally details the important ethical issues observed while conducting the study.

4.1 The research questions

The overarching focus of enquiry and driving questions of this research are: how is CSR practised in Malaysia and why? And what is the role of PR in that practice? This exploratory research question was purposely developed to stimulate a rich description of CSR practice among socially responsible organizations in Malaysia in view of the meager information found about the nature of CSR practice in the country. In this respect, more questions with wide-ranging CSR themes have been developed to frame the nature of CSR in Malaysia. Those questions revolve around the following:

- How is CSR defined among sampled organizations?
- What is the scope of CSR practice?
- Do companies adopt CSR policy?
- What is the actual motivation behind CSR efforts? (from organizations' perspectives)
- How much resource is allocated for CSR annually?

- Who are the CSR recipients?
- How is CSR communicated to stakeholders?
- How are CSR programs evaluated, and why?
- What is the benefit of CSR to the organization?

Next, the overriding question was; what is the role of PR in CSR practice? The question aimed to elicit the role(s) of PR in pursuing CSR efforts through PR practitioners' experience and current involvement in CSR activities. Among key issues explored were their level of understanding of CSR concept, motivation and aspiration in undertaking the practice, perceived strength and limitations in performing CSR, and how CSR practice empowered their function in the organization.

4.2 How does the researcher's background shape the research?

This research is not undertaken without bias. My early educational exposure in PR was deeply ingrained in the functional approach acquiesced to the work of Grunig (Grunig & Hunt 1984; Grunig 1992), Cutlip, Center and Broom (2000), in which the dominant paradigm was chanted as a PR mantra. This perspective has shaped my early assumption of PR practice, so, along with others, I personally regarded, two-way symmetry communication model as a requirement for PR to remain ethical in the practice. At the same time, the idea of strategic PR and its ability to acquire a seat in the boardroom really enticed me into the profession. However, my first job as a PR practitioner in a non-profit organization (NPO) had eventually changed my ideal outlook of the practice. My primary function in the organization was building a close network with specific community groups who required special needs, whilst garnering

support from corporate donors, media, government, professionals and volunteers to secure sustainable and enduring activities for the specific community. Nevertheless, I was often caught in a dilemma when the multiple interests of these stakeholders were in conflict with the aspiration of my institution. I gradually realized that achieving mutual interests was largely dependent on the amount of power held by PR practitioners and continuous constraints imposed on practitioners by client organization or employer in its attempt to serve multiple interests. I learnt that what a PR practitioner regarded as mutual interest may not be viewed in the same way by others. I argue that the positivist notions of effective and ethical PR are often in conflict with the real practice. At a certain point, what claims to be ethical, effective, balanced communication, or meeting social good, may solely benefit a certain group of people, particularly those who are in power. This is consistent with critical perspectives that claim PR privileges those in power by helping them to maintain their hegemony (see Motion & Leitch 1996; Berger 2005; Motion & Weaver 2005; Roper 2005; Edwards 2009 and 2011; Bardhan & Weaver 2011), and subsequently works to the disadvantaged of the powerless. Therefore, this thesis has a critical bearing within which it aims to explore PR's role in CSR in Malaysia and by giving emphasis to PR's strength, limitations and constraints in pursuing the practice.

It is important to repeat that this thesis is not undertaken without bias. I personally embraced several functionalist assumptions with regard to PR functions in an organization, and this has largely affected the design of this thesis. I strongly affirmed that to be more effective in the practice of CSR, PR practitioners must be part of the strategic management team. At the same time, I also assumed PR to be capable of advising on socially responsible issues in view of its position as boundary spanners (see

details at Chapter 2), while having a primary function in relationship management and communication. This in turn had implications for my chosen sample study, in which respondents are selected from among those who occupy managerial positions or above. On the other hand, I argue that the actual role enacted by PR practitioners in CSR may not align with the normative view that hold to promote mutual interests or public goods in which this thesis is keen to explore. My contention is that PR role in CSR may largely implicate the issue of power that exists within practitioners' operational contexts. By the same token, I argue that PR practitioners may not enact the same function as their counterparts, and their role in CSR is not without exception. Hence my empirical inquiry aimed to critically examine the role of PR in CSR through the eyes of PR practitioners, taking into account the dynamics of social, economic, political, and organizational contexts within their environment.

4.3 The research paradigm

Crotty (1998), in his seminal work *The foundation of social research*, asserted that 'different ways of viewing the world shape different ways of researching the world' (p.66). All researchers work within a certain worldview or paradigm that would further shape their research design. Denzin & Lincoln (1998) defined paradigm as 'a basic set of beliefs that guide action' (p.33). Drawing from the social constructionist paradigm it is assumed that in reality PR's role in CSR is not merely given but is socially constructed. This assumption resonates with the notion of the interpretive worldview found in Daymon & Hollaway (2002) when they stated, that 'the reality that we live and work in is built up over time through communication, our interactions with those

around us, and our shared history' (p.4-5). In a similar vein, Crotty (1998) defined constructionism as:

'An epistemology that view all knowledge, and therefore all meaningful reality as such, is contingent upon human practices, being constructed in and out of interaction between human beings and their world, and developed and transmitted within an essentially social context.' (p.42)

This epistemological assumption asserted that both researcher and research participants assumed an active role in constructing knowledge. Burr (2003) asserted that 'the researcher must view the research as necessarily a co-production between themselves and the people they are researching' (p.152). Furthermore, the ontological assumption of constructionism embraced the idea of multiple realities, rather than a single truth in knowledge construction. It assumed that reality or truth is largely constructed through the social interaction that one has with others (Blumer 1969 in Crotty 1998, p.72). Unlike positivism, research from a constructionist's point of view is value-laden. Thus, it is essential for the researcher to recognize her own biases that are derived from personal experience, background, cultural and historical values, and which could potentially shape the research and influence the interpretation of meaning (see Creswell 2009, p.8). In view of this value-laden quality, I have been constantly mindful of my personal thoughts, feelings and attitudes throughout the whole process of completing this thesis and I reflect on this in the final chapter of the thesis. Furthermore, in view of the inductive nature of this thesis, important themes have mainly emerged from data rather than from literature review. It is worth highlighting that, constructionism is part of interpretive taxonomy (see Denzin & Lincoln 1998, Daymon & Hollaway 2002), and thus resides within a qualitative philosophical assumption. Denzin & Lincoln (2008) have encapsulated the attributes of qualitative researcher as:

'Qualitative researcher stresses the socially constructed nature of reality, the intimate relationship between the researcher and what is studied, and the situational constraints that shape the inquiry. Such researcher emphasizes the value laden nature of inquiry. They seek answers to questions that stress how social experience is created and given meaning.' (p.14)

Therefore, all philosophical assumptions underpinning qualitative research have been made explicit in this thesis. At the same time, assuming the role of qualitative researcher, I constantly make myself aware of personal actions and thoughts which may influence the production of this thesis (see Creswell, 2007).

4.4 The data collection procedures

Data for this thesis has been generated from two sources: semi-structured interviews, and executive messages contained in CSR reports (also known as sustainability reports). Interviews were conducted among two groups: public relations managers, and CSR managers working in CSR renowned firms in Malaysia. Reflective notes were taken throughout the data collection process, primarily during the interview sessions to record the activities and actions of respondents (this also includes my personal thoughts and feeling as the interviewer) which could never be captured via an electronic device (digital recorder), and which could affect the interpretation process. In addition, data was also obtained from CSR reports collated from CSR stand-alone publications, which were largely given by interview respondents for my additional reference upon completion of the interview. Data from these reports is primarily generated from the executive messages that appear in the publication. Executive messages include forewords from the Chairman, Managing Directors and the Presidents of the companies that normally appear prior to the introductory page. These messages

were normally between one to three pages long. I acknowledged that the key persons; Chairman, Managing Director or the President of the companies may not personally write the messages but the messages to some extent symbolized the view of the top management. This argument is consistent with Weber (2009) when he recognized that executive messages in the report represented the value of the top managements' inspiration by virtue of the messages being given an explicit endorsement. This endorsement often consists of the placing of management's photographs and signatures adjacent to the messages. Weber (2009) has encapsulated this when he stated:

'Given that the CEO's photograph and signature often appear along this letter, it is reasonable to assume that these words, even if not written personally by the CEO but by the company's communication staff, represent the CEO ethical thinking and beliefs.' (p.173)

Nevertheless, despite their distinctive feature of providing rich accounts of responsible practices, CSR reports are to be used with caution in view of their underlying bias and the fact they are often used 'as instruments of self-promotion and as expression of corporate vision' (Surma 2006, p.53). In a similar vein, Forster (1994) argued that company documentation may not be truly representative of life in a particular organization. He further argued that such documents are 'invariably political and subjective, hence should not be taken at face value' (Forster 1994, p.149). However, the aim of this study is not to discover the accuracy of the CSR reports, but rather to understand how organizations construct their CSR reality without excluding their unique context in the report.

4.5 Triangulation

Farmer et al. (2006) defined triangulation as a methodological approach that 'contributes to the validity of research results when multiple methods, sources, theories, and/or investigations are employed' (p. 377). Triangulation is a prevalent approach to enhance research validity for quantitative research. However, drawing from qualitative approach this thesis used two different types of data sources; semi-structured interview, and CSR reports in order to address on the same research issue to achieve completeness. This is consistent with Denzin & Lincoln (1998) when they affirmed that the use of triangulation in qualitative research 'is to secure an in-depth understanding of phenomenon in question' (p.8).

I have strongly assumed that data from interviews offered a rich description of behind the scene stories, internal issues, conflict and changes that may be hidden in CSR reports. At the same time, findings obtained from interviews would be further used to unearth underlying inherent bias found in executive messages that drawn from CSR publications (see 4.4 The data collection procedures). This thesis employed triangulation to achieve a rich description in understanding the subject understudy. This assumption is consistent with Flick (1998) when he argued that:

'The combination of multiple methodological practices, empirical materials, perspectives, and observers in a single study is best understood, then, as a strategy that adds rigor, breadth, complexity, richness and depth to the inquiry.' (p. 231 in Denzin & Lincoln 1998, p. 8)

4.5.1 <u>Sample</u>

The data collection phase started by locating potential respondents: PR managers and CSR managers ³⁵ who worked in companies that have been actively engaged in CSR practices. This criterion is integral in view of the voluntary nature of CSR practice in Malaysia. Therefore, sample organizations were largely selected among those which have been recognized as outstanding performers in CSR, or corporations with a long CSR tradition. In this case, the sample has largely been drawn from the CSR award winners' lists. Three CSR awards were used in this thesis in view of the credibility of its organizers:

- Malaysia Sustainability Reporting Award 2006 and 2007 or known as *MESRA* organized by the Association of Charted Certified Accountant (ACCA)
- The Prime Minister CSR Award 2007 organized by the Ministry of Women, Family and Development
- Star-Biz CSR Award 2008 organized by the Star newspaper and the Institute of Corporate Responsibility Malaysia (ICRM)

Winners' lists were obtained from respective competition websites. A total of forty five winners were identified from the whole list, which represented thirty five companies (several companies have won more than one award). Due to limited amount of time and financial constraint I have to limit my sample to companies within the Kuala Lumpur area. Thus, two companies were eliminated from the lists in view of

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³⁵ CSR managers are included in the sample in view of recent trend among corporations in Malaysia to establish CSR department to pursue their CSR initiatives.

their location. In addition, three companies that have a long CSR tradition were added to the top of the list. A long tradition in CSR refers to those companies that have been practicing CSR since its early establishment, or have well known CSR programmes and commit to CSR reporting either in their annual report or in a CSR stand-alone report. These companies included private, multinational and government linked organizations (GLC).

This careful selection is imperative to ensure all potential respondents, PR managers and CSR managers are familiar with the concept and practice of CSR and have been somewhat involved in managing the practice. On the whole, this purposive sampling ³⁶ technique was used in view of the voluntary status of CSR practice in Malaysia.

4.5.2 Research informants

The informants of this study were semi-elite informants; those who at least hold middle positions in PR and CSR divisions. Based on demographic profile and background information elicited during the interview, most respondents have more than 10 years of experience in managing PR and have been involved in CSR ever since. I strongly assumed that, with their substantial amounts of experience, these respondents were largely capable of providing a holistic view of the PR or CSR function, and about the company as a whole. For example, one informant claimed to be the mastermind of the CSR programme in his firm, thus placing him in the best position to speak about the trajectory of CSR in the firm from its early inception.

³⁶ Samples on the basis of wanting to interview people who are relevant to the research questions (Bryman 2004, p.334)

The process of getting access was indeed a long and painstaking exercise. I first sought all companies general contact information from their respective official websites. I then made personal calls to each and every company to identify managers in charge for both PR and CSR portfolios. At this stage my main goal was to obtain potential respondents' details, particularly their names and current designation in the organization (these details were not made available on most corporate websites). All potential respondents worked in Malaysia. In view of the eight hour time difference between the UK and Malaysia, most calls were made after 3.00am UK time to capture the best working hour in Malaysia. Thirty three complete addresses and contact details were obtained from this effort.

Next, a total of thirty three invitation letters were sent through both snail mail and email to potential research informants. All letters were sent from Stirling, UK through Royal Mail, and from my university email address to all respondents. A summary of the thesis and an interview guide were enclosed with this letter to help inform respondents about the research objective, understand how they could contribute to this empirical study, and what to expect during the interview (see *Appendix II* (a) for sample of invitation letter, Appendix II (b) for research summary and Appendix II (c) for consent form). I have made a point of approaching potential informants in a formal and official way in view of their high-ranking positions in the organizations (see Appendix 1 for respondents' job titles). This is evident from their job title which included e.g.: Vice President, Senior Vice President, and Director. PR high-rank

position in organisations implies that greater importance has been attached to PR's function (see Carroll 1981) and CSR. In addition, making contact in an official way is highly appropriate within the Malaysian context. Based on my inside knowledge and experience (being a Malaysian myself), formal communication is expected when communicating with higher rank personnel in Malaysia in view of its high power distance culture. This communication practice reflects relationships that place importance to status and rank as explained in Chapter 3 (see 3.1.1 Social and cultural landscape).

In terms of research participants' response, only one respondent replied my email, and expressed her willingness to participate in the research. The low response could be attributed to the content of my letter that elaborated my duty to contact them to obtain acceptance rather than vice versa. Therefore, I have made follow up calls and wrote email reminders approximately a week after all letters were sent. Some companies responded to my email thus making the process of getting access rather fast and smooth. However, in most cases I still had to go through the conventional way, via telephone to get confirmation of their participation. In many instances I had to deal with the middle person i.e. personal assistant to the potential informant. At this juncture, I personally viewed that negotiating access was the prerogative of the informants' personal assistant, who at times took an age to get a suitable schedule blocked for the interview. This somewhat delayed the research progress. Some companies were not receptive and I also received several rejections from PR managers who lamented that they were restrained by 'organizational policy' and not permitted to take part. However, I strongly perceived that such excuses were used as an implicit gesture which signified that organization's lack of interest in research work. This is inherently cultural, as

Malaysian culture tend to be less assertive (see 3.1.1 Social and cultural landscape) or indirect. Malaysians favor tacit communication behavior, particularly when expressing bad news or negative responses to avoid any form of embarrassment that may be incurred on the other party (see Abdullah & Pedersen 2003).

I also observed that sending letters from abroad seemed to carry certain weight as compared to local letters that had a similar purpose. This is based on my previous experience of sending letters to organizations with research intentions, many of which rarely caught firms' attention. Companies normally take a long time to track down such letters, or contact the sender. Unlike my case, most of my contacts i.e. potential respondents or their personal assistants could easily recall my mail almost spontaneously when I introduced myself as a postgraduate student from Stirling University. This could be attributed to a rare case of receiving research request from student's studying overseas especially through post. An alternative interpretation could be drawn from history when people tend to regard those studying overseas as the social elites. In the colonial days the English-educated had the opportunity to secure good positions in government department. Hussin (1998) affirmed that the 'English-educated were look highly for they were the servant of the great British Crown government which colonized half of the world' (p.114). Such elite's image remains today.

This thesis has secured fifteen positive responses inclusive of fourteen face to face interviews and one presentation by the Stakeholder Management Department (from the Group of Corporate Affairs) of a multinational company. Interviews involved twelve respondents leading the Corporate Communication portfolio and Corporate Affairs. While three other informants who are championing the CSR portfolio.

Additionally, the thesis also included two PR academics to obtain their scholarly views. The selection of these two academics was made on the basis of their long-term involvement in PR research, and their consultancy work in Malaysia. In addition, they also have strong affiliations with the Institute of Public Relations Malaysia (both were former President and Vice President of the Institute). Their credentials, experience and professional insight on PR and CSR issues to some extent enriched the findings, both from scholarly and professional perspectives.

4.5.3 <u>Managing a semi structured interview</u>

A qualitative semi-structured interview was adopted as it provides a substantial voice for informants to freely express their thoughts, beliefs and views without having to agree to any pre-determined options. At the same time, it also allowed active engagement on the part of the interviewer to stimulate sharing of information, and to obtain in-depth insights from informants. From a constructionist's perspective, Holstein & Gubrium (1995, 2003) defined an interview as 'reality-constructing and interactional events during which the interviewer and interviewee construct knowledge together' (in Koro-Ljungberg 2008, p.430). I personally find having an interview guide (see *section 4.5.4*) has been useful in executing these interviews in view of my novice status in research and lack of experience in conducting one-to-one interview.

Based on my observation, most participants were quite open and receptive towards academic interview. One reason for this receptivity was their high level of qualification: some with a doctoral degree or currently pursuing PhDs part-time thus, have experience in conducting empirical research. This serves as a common ground that

naturally expedited relationship building between me and my research respondents. In several instances, topics on research served to initiate our conversation, thus enabling us to get to know one another better prior to conducting the interview. This approach is inherently cultural as Malaysians treat relationships as paramount in all aspects of life, including business life (see 3.1.1 Social and cultural landscape). It has been affirmed that Malaysians prefer to conduct business with those they can trust and are comfortable with (Abdullah & Pederson 2003). At the same time, having the experience in conducting research themselves (or about to do so), has helped them to understand their position and what to expect during the process. This has consequently facilitated the interview process.

All respondents had degrees, with considerable numbers holding master's degrees from various fields ranging from political sciences, business administration, law, engineering, and architecture beside communication. This phenomenon illustrated an outright encroachment into PR profession 'in which professionals with other expertise occupy the senior public relations position in an organization' (Lauzen 1992, p. 61).

Despite their amicable attitude towards the interview, one respondent raised concern over the possibility of information being misused. Such concern was largely attributed to his past experience dealing with a researcher who later shared the information with competitors. This brings my attention to researchers' ethics. I have realized that unethical conduct of one researcher may have implications to other researchers that could subsequently impede the development of empirical work. At this point, I have realized that developing trust prior to conducting the interview was

necessary. Therefore, I have started the session by explaining the purpose of having the interview, and how the information obtained could possibly be used and benefit a wider purpose. Interviewees' rights and confidentiality issues were also elaborated upon with the help of a consent form provided during the session.

At the same time, permission to record the interview was solicited prior to conducting the session. Certain parts of some interviews were classified as confidential and not recorded (off the record), as requested by informants. I have noted that, those issues which were 'off the record' mostly applied when respondents expressed personal critique on issues which involved policies or specific institutions. Expressing open criticism is not a norm among Malaysian society and could have adverse consequences. For instance, a person who works with a government agency is expected to demonstrate loyalty and support to the government. Any opposite action may lead to disciplinary action. This is by virtue of Malaysian that holds high power distance values (as explained in Chapter 3) thus, give high respect to those with authority including the government is imperative. This has also affected the level of criticality of this thesis to a certain extent. Warren (2002) chronicled his experience conducting qualitative interviews asserted that 'respondent does not want to talk 'on the record' about issues that might be dangerous or personally damaging' (p. 92).

Reflection notes were also taken to chronicle details that cannot be electronically recorded. These notes include descriptions of the interviewees' facial expressions, tones of voice, and other gestures that accompany their opinion, stance or verbal expression during the interview. For example, one respondent has demonstrated a strong conviction towards his role in promoting CSR initiatives. This was explicitly

shown from his non-verbal gestures i.e. talking with full excitement, energetic voice, beaming expression while elaborating on the CSR initiatives of his firms. These non-verbal cues convey a lot of meaning in a high context society such as Malaysia. In this case, meaning is in the interviewee himself or herself and can largely be captured from the non-verbal language (see 3.1.1. Social and cultural landscape).

In addition, the interview setting, incidents that took place during the interview that could be linked to the findings, and other noises or interruptions that may have an effect on the interview process were also reported. The social constructionist approach treats interview context and interviewee's actions as part of the meaning making process. Koro-Ljungberg (2008) has made this clear when she stated that:

'In order for researchers to understand the meaning making activities that take place during the interview, they must focus on the actions of individuals that influence the immediate social process and context of the interview, as well as those actions that have been influenced by others sociopolitical contexts or discourses.' (p.430)

In the meantime, I jotted down my own presuppositions, personal thoughts, and feelings that would affect my emerging interpretation during the interview. This reflective exercise aligned with Patton's (1990) notion or 'empathy' when he asserted that:

'Interviewing as part of qualitative method that 'promotes empathy' and give the researcher an empirical basis for describing the perspectives of others while also legitimately reporting his or her own feelings, perceptions, experiences, and insights as part of the data.' (p.58)

4.5.4 Interview Guide

An interview guide was used to facilitate the execution of the interview, to ensure all important topics were covered and addressed to all informants. However, questions were not posed to interviewees in an identical sequence. The interview guide (see *Appendix II (d)*) appeared as a useful tool that highlights all key issues to be addressed during the interview sessions. Nevertheless, rather than remain solely confined to the guide, spontaneous questions sometimes emerged to create a more relaxed and casual interaction.

4.5.5 <u>Data management</u>

All recorded interviews were transcribed verbatim. Such approach is highly recommended by Wood & Kroger (2000) as they affirmed:

'It is impossible to specify in advance which features might turn out to be important and because the details of discourse are critical for the preservation of variability and for interpretation' (p.82).

However, the focus of transcription was on the readability of the content, as the emphasis of this thesis is on the content, function and implications of language used by respondents, rather than the linguistic details. The tedious process of transcribing turned out to be rather engaging as it was not merely a listening exercise, but an active process of making sense of the data that transpired from the interviews. This experience was consistent with Stubb (1983) as he affirmed that 'the transcriber is struggling to make decisions about what exactly is said, and then to represent those words in a

conventional orthographic system' (in Potter & Wetherell 1987, p.165). I often take note of my initial interpretation while listening to the recorded interview. All in all, it took me about three months to complete the transcribing process, including rechecking the ready transcripts. Having transcripts has made the process of data analysis more manageable, as I could easily go back and forth to the data. In this case, I concur with Wood & Kroger (2000) in terms of the value of the interview transcripts when they asserted that:

'Transcription is essential because it is not possible to keep the features of discourse in mind sufficiently while listening; we need to slow down the discourse so that the details can be identified' (p.82).

At the same time, having a systematic way of data management for easy access and retrieval is indispensable in view of the sheer amount of text generated from the interviews and executive messages from the CSR reports. Therefore, all data generated from interviews, CSR reports and reflection notes were kept in their respective folders in Microsoft Word.

4.6 Analytical approach

This thesis embraces the consructionism approach that affirms meaning as being socially constructed rather than discovered (see Crotty 1998). It gives great attention to the active role of communication in constructing reality within a specific context (Crotty 1998; Daymon & Holloway 2002). The thesis has adopted critical discourse analysis (CDA) to analyse data mainly from the CSR reports. Parallel to the constructionist view, critical discourse analysis also viewed language as having an active role in constructing reality (see Potter & Wetherell 1987; Burr 2003; Fairclough

& Wodak 1997). Thus, the constructive role of language is at the heart of both constructionsim and critical discourse analysis. Advocates of discourse analysis, Potter & Wetherell (1987), affirmed that people use language to do things either implicitly or explicitly.

They asserted that language is a form of social action that has causal effects when they stated:

'Social texts do not merely reflect or mirror objects, events and categories pre-existing in the social and natural world. Rather, they actively construct a version of those things. They do not describe things; they do things. And being active, they have social and political implications.' (p.6)

Fairclough (1992) claimed that discourse has constructive effects on social identities, social relationships, systems of belief and knowledge effects. Discourse analysis is an analytical tool used to study language and which originated from diverse disciplines i.e., philosophy, sociology, linguistic, and literary theory (Wood & Kroger 2000, p.18). In recent years, discourse analysis has been taken up by many other fields such as social psychology, nursing, law, organizational studies and many others. At the same time, discourse analysis has received increased attention in public relations research (see Motion & Leitch 1996; Motion & Weaver 2005; Leitch & Motion, 2010). Daymon & Holloway (2011) have allocated a topic on 'discourse analysis and critical discourse analysis' in their second edition of *Qualitative Research Methods in Public Relations and Marketing Communication* book. These developments exemplify discourse analysis as gradually receiving significant attention in PR.

Drawing from Fairclough (2003) the notion discourse adopted in this thesis refers to 'a particular way of using language to represent the world' (p.26). It is important to note that discourse does not take place in a vacuum. According to Daymon & Holloway (2011) discourse occurs within a social context that both influences and is influenced by discourse (p.167). In a similar vein, Kress (1985) asserted that social institutions produced specific ways or modes of talking (discourse) about certain areas of social life, which are related to the place and nature of that institution (p.27). The relationship between discourse and context has been accentuated by critical discourse scholars when they 'described discourse as social practice which implies a dialectical³⁷ relationship between a particular discursive event and the situations, institutions and social structures which frame it' (Fairclough & Wodak 1997, p. 258). This meaning making process also includes inter-textual analysis (see 4.7.2 for inter-textuality). In essence, it is assumed that 'every text is embedded in a context and is synchronically and diachronically related to many other texts' (Titscher, Meyer, Wodak & Vetter 2000, p. 24). Thus, the focal interest of this analytical tool is to examine how language was used to conceptualize CSR practice in Malaysia and the underlying motivation in pursuing the practice as found mainly in CSR reports. The critical discourse analysis is adopted to make the relationships between socio-political, economic and cultural dimensions that are shaping CSR practices and the scope of PR role in the practice more apparent thus unveil how power relations is implicated within this phenomenon. This aims is consistent with Fairclough (2010) definition of critical discourse analysis when he stated that:

'By 'critical' discourse analysis I mean discourse analysis which aims to systematically explore often opaque relationships of causality and determination between (a) discursive practices, events and texts, and (b) wider social

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³⁷ A dialectical relationship is a two way relationships that the discursive event is shaped by situations, institutions and social structures, but it also shapes them (Fairclough & Wodak 1997, p.258).

and cultural structures, relations and processes; to investigate how such practices, events and texts arise out of and are ideologically shaped by relations of power and struggles over power; and to explore how the opacity of these relationships between discourse and society is itself a factor securing power and hegemony.' (p. 93)

In this thesis the notion text and discourse are not used interchangeably. Text is regarded as one dimension of discourse which is defined as the written or spoken 'product' of the process of text production (Fairclough 1992, p. 3). The analysis was based on two forms of texts; interviews transcripts and executive messages drawn from CSR reports.

This thesis also examined how PR role in CSR practice is constructed by the research respondents during interviews. Following Rapley (2007) this analysis is concerned about how talk is produced. This is consistent with Holstein & Gubrium (2003) when they underlined the importance to understand what is being said as it relates to the respondents' experiences and immediate contexts. Unlike CSR reports, interviews' data does not represent naturally occurring CSR discourse like other typical text. According to Fontana & Frey (2005) interview is a collaborative, contextual and active process that involves two or more people (cited in Koro-Ljungberg 2008, p. 430). Following a constructionist perspective Koro-Ljungberg (2008) delineates both interviewer and interviewee as 'active knowers' who actively and intentionally engaged in knowledge production during the interview (p. 430). In another word, data elicited from the interview is a product of active engagement of both the interviewer and interviewee. On this note, reality is regarded as a co-production of both the researcher and the researched participants. Interpretation of data in this context should take into

account the interactive dynamic that occurs between the 'knowing subjects' ³⁸ (see Hammersley 2008). Hammersley (2008) injected a note of caution in his book 'Questioning qualitative inquiry' on the increased tendency among qualitative researchers to approach interview data in an unreflective manner. He affirmed that interviews 'must be viewed as social occasions, and what is said there should be treated both as socially constructed and as reflecting the particularities of the context' (see Silverman 1973; Briggs 1986; Mishler 1986 in Hammersley 2008, p. 90). In this thesis, I have made attempt to adopt a reflexive³⁹ approach throughout the research process and that include analysing data and the writing up of the thesis.

Dealing with interview data requires me to mindful of my position as a qualitative researcher by taking into account how my assumption, knowledge, culture and experience have inevitably influenced the interviews' outcome. At the same time, I also take into consideration respondents' social roles, immediate social context, knowledge, culture, experiences and other values that shaped their response during the interview. My direct engagement with respondents during data collection enables me to be more reflexive when analyzing the interviews' data; to be aware of all potentials that influence knowledge construction during the interview. During the analytical process, dominant themes that emerged from respondents' accounts have been given a particular attention. At the same time, the analysis also focused on negative case⁴⁰ or irregular theme that transpired in the text to offer alternative explanation (Corbin & Strauss 2008).

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³⁸ Koro-Ljungberg (2008) identifies all individuals engaged in the interview process as 'knowing subjects' who actively and intentionally engaged in knowledge production (p.430).

³⁹ Adopting a reflexive research process means a continuous process of critical scrutiny and interpretation, not just in relation to the research methods and the data but also to the researcher, participants, and the research context (Guillemin & Gillam 2004, p. 275). ⁴⁰ Atypical pattern or a case that does not fit the dominant pattern (Corbin & Strauss 2008, p. 84)

In this thesis, I argue that the socio-economic, political and cultural landscape of a nation has greatly influenced the development of PR and CSR as affirmed by many scholars (e.g. Al-Enad 1990; Sriramesh & White 1992; Sriramesh 2004; Frynas 2006; Brussel 2008). Therefore, the analysis takes into consideration the socio-political, cultural and economic dimensions that impinge on the role of PR in CSR practices in Malaysia. My role as insider; being a Malaysian enabled me to contextualize data with my inside knowledge about socio-cultural, political, economic contexts of Malaysia. Being an insider helped me to contextualize meaning behind certain terms without depending on too much detail from respondents. This is evident in several instances when the respondents used specific phrases or terms such as 'pukul gendang' (hit the gong), the 'Malay culture' (see section 7.2), 'pemegang mohor' (the keeper of the ruler's seal) (see section 7.3) and 'rakyat'(citizen) (see section 6.2) just to name a few in which the meanings are all embedded within social-cultural and political contexts of Malaysia.

Drawing from Fairclough (1992) scholars recognized PR practitioners as 'discourse technologists' who actively involved in the maintenance and transformation of discourse primarily through the production and distribution of text (Motion & Leitch 1996, p.299; Motion & Weaver 2005). Motion & Weaver (2005) asserted that PR is a discourse technologist that normally works to support the hegemonic power. They further explained that in this process 'PR strategies are deployed to circulate ideas, establish advantageous relationships, and privilege certain truth and interests' (Motion & Weaver 2005, p. 53).

The issue of power, hegemony and ideology are intricately interwoven. In this context, Fairclough (2010) further explained the interplay between discourse, ideology and power that may not be apparent particularly to those who directly involved when he stated that:

'The linkages between discourse, ideology and power may well be unclear to those involved, and more generally that our social practice is bound up with causes and affects which may not be at all apparent.' (Bourdieu 1977 in Fairclough 2010, p. 93)

Hence, this thesis has been critical by examining the ideological effect of the prevailing discourse in shaping CSR practice in the country and subsequently affect the PR role in CSR and vice versa. Kress (1985) affirmed that 'a powerful way of examining ideological structure is through the examination of language' (p.30). It is worth to highlight that, ideology in this context is not merely refers to ideas, beliefs and values that people undertake but rather to 'the process by which social actors, as part of larger social collectives, develop particular identities and experience the world in a particular ways' (Mumby & Clair 1997, p.183). Such ideology could be propagated through discourse by the dominant group in society thus, largely accepted by and practice by others. In this context, the dominant group is in the position to propagate ideas through discourse rather than using any form of repressive force that refers to the process of hegemony. This thesis follows Daymon & Holloway (2011) definition of hegemony. They affirmed that hegemony took place when a particular discourse come to dominate i.e., a society, organization, profession or community, and how powerful groups use language strategically to legitimate their positions and actions in order to influence change.

Drawing from Hall (1988a), Roper (2005) affirmed that the 'hegemonic struggle is for the establishment of 'common knowledge' for when knowledge becomes common sense it will cease to be questioned (p. 77). From Foucault's perspective, Burr (2003) argued that 'power is an effect of discourse' (p.68) rather than a product of repressive force. In this case, Burr (2003) asserted that power could be exercised 'by drawing upon discourses, which allow our actions to be represented in an acceptable light' (p.68).

This thesis aims to be critical by exploring the 'ideological underpinning of discourses that have becoming so naturalized over time that we begin to treat it as common, acceptable and natural features of discourse' (Teo 2000, p. 12, Gee 2004, p.32 in Smith 2007, p.61).

4.7 Analytical process

The analysis has adopted a thematic approach in which the emphasis is given to themes that emerged from the texts. Texts used in this thesis comprised of sixteen interview transcripts, one presentation and six executive messages from CSR reports. Like any other qualitative research, the analysis started by performing close readings of the texts without making any attempt to analyze the text for the purpose of being 'aware of what a text is doing' (Willig 2001, p.94). My next attempt at reading the entire texts was to locate materials for analysis, known as coding ⁴¹. At this stage I sought to identify what appears in the text by reading the script line-by-line and giving a general title to every segment, quote or passage (see Appendix III (a) for sample of coded

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⁴¹ Coding system helps researcher to select relevant sections of the texts which constitute data (Willig 2001, p.95).

interview transcript) wherever possible. In this process close attention is given to the content of the texts. For example, if the texts elaborate about different types of CSR programmes (i.e., community or environmental initiatives) organized by business, then it was coded as CSR dimensions. Data was then sorted in which segments or quotes that had similar code or label were grouped into a broad topic. Coffey & Atkinson (1996) suggested that data bits that relate to a particular code need to be presented together to facilitate the process of exploring the composition of each coded set (p. 46). The process of organizing coded data has generated twenty one broad topics from interview transcripts and thirteen topics from executive messages, as illustrated in *Table I*.

Table 1: List of topics

No.	Topic [from interview transcripts]	Topic [from CSR reports]
1	CSR as business strategy	Contribution to the nation
2	CSR nation building	Commitment to success
3	CSR evaluation	Commitment to society
4	CSR approach	Accomplishment/recognition in CSR
5	CSR dimension	Relationship with stakeholders
6	CSR policy	Economic pressure
7	CSR and publicity	Elite's role in CSR
8	PR role in CSR	CSR policy
9	PR constraints	CSR and reputation
10	PR knowledge and skills	Values and religion
11	Communicating CSR	Employee involvement
12	CSR and culture	Commitment to change

13	PR/CSR practitioners experience	Compliance with the law
14	Elites' role in CSR	
15	Employee involvement	
16	CSR recipients	
17	Values and religion	
18	CSR and image	
19	CSR resources	
20	Commitment to change	
21	Accomplishment in CSR	

Next, close reading was again conducted across coded data to ensure they fitted into the given topics. While doing this, I found that several topics could be combined as they addressed and connected to a similar issue, for example PR practitioners' experience, PR constraint, PR knowledge and skills and CSR resources were merged together to form PR competency and resources category. Next, 'communicating CSR' and 'CSR and culture' were combined to form a category entitled CSR as cultural practice category. Seven other topics that addressed on 'CSR approach', 'CSR dimension', 'CSR policy', 'employee involvement', 'CSR evaluation', 'CSR recipients', 'commitment to success' and 'commitment to change' were largely addressed in accordance with CSR concept and practice category. Two other categories were formed to represent CSR motives and PR role in CSR (see Appendix IV for category). At this stage certain topic was eliminated in view of the dearth of information or perceived insignificant for this thesis i.e., accomplishment in CSR. This refinement process eventually produced five categories under the following headings:

- PR role in CSR
- PR competency and resources
- CSR concept and practice
- CSR as cultural practice
- CSR motives

Subsequently, close reading was again conducted to identify a dominant pattern or theme that emerged from respective categories. In order to accomplish this, segments or quotes under respective categories were again examined to identify recurrent descriptions, key words, metaphors, and ideas that were used to signify a shared pattern. This approach enabled several patterns or themes to emerge naturally from the data. For example, two dominant patterns, known as *interpretative repertoire* ⁴²(see Burr 2003, p. 166-167), emerged from 'PR's role in CSR' category. These two patterns, which exemplified PR distinctive roles in CSR, were known as: a) *PR role to promote CSR for a competitive business* and b) *PR advisory role*. In terms of CSR motives, three dominant themes emerged that represent business case, nation building, personal and religious values (see *Appendix V*). In this thesis, the terms theme, pattern and repertoire are used interchangeably.

Table 2 illustrates an example of how the first repertoire or pattern from 'PR's role category' was drawn from the texts. The first column shows different accounts from different respondents that directly or indirectly illustrate PR's role in performing a communication function in CSR. Burr (2003) affirmed that 'by examining the talk of different people about a topic, it is possible to see some figures of speech, metaphors

⁴² Interpretative repertoire refers to recurrently used systems of terms used for characterizing and evaluating actions, event and other phenomena (Potter & Wetherell 1987, p.149).

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and so on recur' (p.167). Recurrent keywords or ideas that advanced this specific function are underlined (as shown in the first column). Examples of recurrent terms or key words used in the accounts are shown in column two, which eventually built a particular repertoire. I closely examined these clusters of terms which were originally used in different accounts to represent the communication function of PR. I have appended a definition from a dictionary and a thesaurus in order to grasp their meaning, and how they were used in respective accounts. Eventually, I strongly proposed the notion 'promote' to represent PR's role in this context. In this case, the role of promoting CSR could be made equivalent to staging a performance in which the authenticity of its motivation maybe questionable.

Table 2 - Repertoire: PR role to promote CSR initiatives

Different accounts across interview texts that represent PR role in CSR	Recurrent terms used to represent PR role in CSR
'using PR I promote this [CSR]'	Promote
'PR we will <u>highlight</u> , we will <u>talk</u> about issues, we will <u>tell</u> this to the community,we <u>tell</u> CSR story'	highlight, talk, tell
We[PR] do an announcement'	Announcement
'But PR is the one who supposed to <u>make it big</u> , to <u>let</u> the general public know'	make it big, let the general public know
'To me after all the hard work you have done in CSRI want to project and tell the whole world that we have this'	project, tell
'So while we doing the noble thing at the same time we want to <u>sing</u> about it'	Sing

However, at times it was not possible to have synonymous terms or key words to recur in the texts. In those cases, I would examine shared meanings that emerged from respective texts that eventually built a certain pattern or theme. On the other hand, a variation to the dominant role' constructions was also found in the texts; i.e., *PR as a mouthpiece* (see chapter 7). In this thesis, variation may represent a peculiar or competing theme beside the dominant themes that emerged in the texts that could provide a reality that worth examining. According to Marshall (1994) 'variations are expected because speakers draw varying characterization of reality according to what they are doing (p.92) and according to context. In an earlier account, Delamont (1992) also highlighted the importance to look for 'patterns, themes, and regularities as well as contrasts, paradoxes and irregularities' in the codes and categories (in Coffey & Atkinson 1996, p. 47). At this juncture the analysis is also keen to explore why variation occurs and what purpose it serves in the text.

It has been affirmed that 'discourse brings with them different possibilities for what a person is able to do, what they may do to others and what they are expected to do for them thus brings power relations with them' (Burr 2003, p.170). In this regard, the analysis gave attention to the dominant themes emerging in the texts by examining their functions, what they achieved in the texts and plausible consequences of their usage. Next, the analysis continued to explore the contexts underpinning respective themes. At this point, the analysis went beyond the textual level by linking themes that emerged in the texts with social, political and cultural dimensions (macro analysis) and organizational contexts. The meaning of a conversation or written text cannot be fully grasped if it is not being analyzed within the wider social and material context (Burr 2003, p. 174).

Analysis of text from CSR reports employed Fairclough's (2010) three dimensional frameworks, in an attempt to make the relationships between texts, discourse practices and social practices more transparent. This framework is explained in the following section.

4.7.1 Fairclough's three dimensional frameworks

Three analytical dimensions to text have been adopted in order to enable interpretation to go beyond text. These dimensions comprise of the text itself (e.g. spoken and written language), discourse practice (involving the production and interpretation of text) and social practice (involving how social structures affect social practice) (Fairclough 2010).

4.7.2 The textual analysis

Textual analysis may include various features and forms of language. However, it has been argued that social scientists working in CDA tradition generally pay little attention to the linguistic features of text (Fairclough 2003, p.2). The choice of analytical tools used is largely dependent on one's research motivation. The focus of this thesis is not upon the vocabulary, grammar or textual structure, but on the textual functions. It has been assumed that language has multiple functions, including ideational, interpersonal and textual (Galasinki & Barker 2001, 68). This unique function of language has been explained by Halliday (1985) when he argued that:

'A fundamental property of language is that it enables human beings to build a mental picture of reality to make sense of their experience and what goes around them and inside them.'(p.101)

Ideational function centers on how communicators encode their world experience into language. In its typical structure, ideational function appears through a transitivity system that centers on what happens (the process) in the text, and by or to whom it happens (participant) (Galasinki & Baker 2001, p. 70). Halliday (1985) divided the process expressed by transitivity into several categories such as: action (the process of doing); thinking (mental processes); saying (verbal process); states of being (relational process); and states of behaving (behavioral process). This thesis is keen to explore how CSR practice has been constructed based on the choices made in the system of transitivity that appeared in the executive messages. Such choices serve as a means to unveil the link between language and ideology (Halliday 1985). For example, the action process (the process of doing) in the clause would identify who acts (who is the agent) and who is acted upon (who is affected by the action of others), which to some extent indicates the power relations between an agent and a participant.

Furthermore, the analysis also examined the interpersonal function of language that enables text to express social and personal relations between speakers and addressees. This could be achieved by examining the mood used in the CSR report ranging from declarative, interrogative and imperative clauses. Modality signifies the relations between the participants and addressees in the text, which to some extent demonstrates a subtle interplay of power, particularly when it involves a command or a request (e.g. action taken on others). In addition, emphasis is also given to modality choices that refer to levels of commitment made by the communicator/writer to the truth in the text. According to Galasinki & Baker (2001), modality is concerned with

the expression of a speaker's attitude towards the proposition(s) they render in their utterance (p.77). In this regard, emphasis is given to whether the speakers display a strong commitment or distance themselves from what they say (see Galasinki & Baker 2001). Fairclough (2003) affirmed that what people or institutions commit themselves to in the texts is a significant part of what they are.

In addition, analysis also includes inter-textuality as part of context element by using other texts in the literature to support the process of meaning making of the discursive events understudy. According to Kristeva (1986a) the concept of inter-textuality implies the 'assertion of history (society) into text³ and of this 'text into history'4 (p. 39 in Fairclough 1992, p. 102). For example, what has been reported in the literature relating to Malaysian history, culture and policies has been primarily used to interpret how CSR practices were constructed in the texts. Subsequently, the analysis includes discourse practices and social practice levels in order to capture the social and ideological effects underpinning the texts that will be elaborated in the following sections.

4.7.3 The discourse dimension

The discourse level encompasses the way a text is created, which entails the production of the text, and its interpretation and consumption. Fairclough (1992) affirmed that texts are produced in specific ways in specific social contexts (p.78). Drawing from Fairclough's (1992) interpretation of text in this thesis, I took into account how text is produced, who produced the text, the way texts are distributed, and

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⁴³ The text absorb and is built out of texts from the past (Fairclough 1992, p. 102)

⁴⁴ The text responds to, reaccentuates and reworks past texts, and in so doing helps to make history and contributes to wider processes of change, as well as anticipating and trying to shape subsequent texts (Fairclough 1992, p. 102).

how they are read and who reads them. For example, quotes drawn from a CSR report should not be taken at face value. Instead, there should be consideration of the producer of the quotes, the rationale underpinning the CSR publication, and the target audience that have largely shaped and are shaping the text. At the same time, the thesis assumed that PR has a significant role in the production of CSR text. This thesis concurred with Motion & Leitch (1996) who argued that PR practitioner is a discourse technologist who work to maintain and transform discourse primarily through the production and distribution of texts (as explained in section 4.6).

4.7.4 The social practice dimension

CDA affirmed that language is not analyzed out of context, but is situated within the specific context of social practices (Fairclough 2001, p.234 in Smith 2007, p.62). The social level of analysis assesses text within the environment in which it is created and thereby links the language used within the text to the particular operation of power and ideology taking place at a broader level (Smith 2007, p.62). Therefore, analysis of text does not only include what happened in the text and its production, but also includes a wider social structure i.e., the history, society, culture, economic and political aspects that both influence or are influenced by discourse. For example, the following extract illustrated how data is linked to socio-cultural context:

Report 3: We are also proud of our contribution to the growth and development of Malaysia and the *Rakyat*, its people-who are also stakeholders in our company due to our ownership structure but more importantly due to the contribution we can make to them through our operations and services. (Chairman & Managing Director of DELUXE, CSR Report 2008)

This excerpt from CSR report used the term 'Rakyat' (citizen) to represent one of the dominant recipients of CSR initiative. The notion rakyat need to be understood

from social and cultural perspectives of Malaysia, rather than literally interpreted based on what transpired in the text.

4.8 Limitations

The findings of this research cannot be generalized to a wider population. This is due to a small sample size used in the study. However, it is imperative to note that generalization is not the primary purpose of this study. Rather, this thesis aimed to obtain an in-depth insight of the role of PR in CSR practice in Malaysia, and how such a role is constructed, by taking into account the wider social, economic, political, cultural and historical values underpinning the practice. Furthermore, the examination of discourse analysis is on the use of language, rather than the people who generate the accounts. Thus, the success of the study is not dependent on sample size (Daymon & Holloway 2002, p.142).

4.9 Ethical Issues

I have observed ethical issues throughout the process of this thesis. All potential participants of this research were approached formally. A summary of the research elaborating on what the research is about, the research objectives, the selection of participants, and methods of data collection were enclosed with the invitation letter. Such information could help potential participants to make an informed decision. In other words, participation is on a voluntary basis and participants were free to withdraw at any phase of the research. At the same time, the issues of maintaining anonymity and confidentiality were strictly adhered in this thesis. It was agreed that no names would

ever be mentioned (this applies to both participant and organization involved), and confidential information would not be disclosed, prior to gaining written consent and that was reflected in the thesis. In the interim, 'off the record' information was not recorded during the interview. Additionally, I have made attempt to be transparent throughout the whole research process. I have offered justifications, personal reflection of my feelings, constraints and limitations that all have shaped the research. In terms of the analysis, I have elaborated the analytical procedures in the thesis and appendices. At the same time, direct quotations were included to provide readers with actual situation and thoughts of the people represented in this thesis. In this thesis, I strongly concur with Patton (1990) when he affirmed that in qualitative research the 'analysts have an obligation to monitor and report their own analytical procedures and processes as fully and truthfully as possible' (p. 372).

CHAPTER 5 : DATA ANALYSIS

This chapter analyzes dominant patterns or known as interpretative repertoires that emerged from careful analysis of the texts that drawn from both interview transcripts and CSR reports. In view of their lengthy discussion, data analyses are divided into three separate chapters. This chapter analyzes how CSR is constructed in the texts that were mainly obtained from executive messages drawn from CSR reports. Chapter 6 concentrates on the underlying motives of pursuing CSR practice in Malaysia that emerged from both interview transcripts and CSR reports. Chapter 7 explores the role of PR in CSR practice in Malaysia which exclusively drawn from semi-structured interviews with both PR and CSR managers.

This thesis acknowledges the wide range of terms used in the texts to represent the responsible practices of business or CSR. Based on my observation the notion CSR is used interchangeably with other terms such as sustainability, corporate responsibility (CR), and sustainable business, contribution to the well-being of community, society and environment which are evident in both CSR report and interviews' transcripts.

5.1 CSR in Malaysia: Conceptualizing the practice

This section begins by examining how CSR practice in Malaysia is conceptualized in the texts which largely emerged from the executive messages drawn from CSR reports. Analysis focuses on two dominant themes or repertoires that emerged in the texts respectively; CSR practice for business survival and CSR as a

from the texts beside the two dominant themes; *CSR practice as a corporate culture*. The analysis first gives close attention to how these repertoires are being used and what they help to accomplish in the texts. This is done by examining their functions in the text that mainly addresses the ideational, interpersonal and textual functions (see 4.6.2.1 the textual analysis). Next, these repertoires are analyzed at the discourse practice level (the philosophy behind the publication, production and consumption of the text) to interpret their underlying meaning. Finally, the analysis is conducted at social practice level in which the organizational context and a wider social structure of the country were taken into consideration to conceptualize meaning.

5.1.1 Repertoire: CSR for business survival

CSR has been predominantly conceptualized as part of business's transformation process that is integral for a long term business survival. Commitment to CSR represents a reactive approach of business in respond to external pressures that imposed threats toward organizations continuous existence. The notion CSR has not been explicitly used in the texts but other related terminologies such as sustainability, contribution to society and environment were largely used to represent responsible practices as illustrated in the following extracts:

Report 2: 'Since our inception in 1988, the PUTRA Group of companies has been constantly undergoing change i.e. doing business in a more sustainable manner. This is important to ensure that our role in the offshore marine and integrated brown filed sectors of the upstream oil and gas industry is not only preserved but also brings shareholders value.'

'As a public listed entity, additional requirement by Bursa Malaysia Securities and the Securities Commission have been incorporated into the Group's corporate and operational processes to enhance operating efficiencies and sustain growth. These benchmark collectively form the ambit of our framework for Corporate Responsibility.' (Executive Chairman PUTRA Group, Sustainability Report 2008)

The first sentence in the extract represents a material process (process of doing) by identifying PUTRA Group companies as the subject that constantly undergoing change. The notion 'change' in this context has been made equivalent to 'doing business in a more sustainable manner'. However, the role of agent who imposed change to the subject has been made absence from the text. The following phrase demonstrates management's strong conviction that responsible business practice enhances competitiveness when it states, 'This is important to ensure that our role in the offshore marine and integrated brown filed sectors of the upstream oil and gas industry is not only preserved but also brings shareholders value'. This statement signifies that responsible practices bring desirable outcome to business and better financial prospect to shareholders. In this context, commitment to embrace sustainable business would offer exclusive benefit to the organization as it helps to secure business's position in its specific industry and to protect its shareholders' interest.

In the second part of the extract, the agent(s) who is responsible to impose change has been made explicit by naming the 'Bursa Malaysia' and 'Securities Commission' in the text. Business identifies its position as a public listed company which has to comply to regulations imposed by both Bursa and Securities Commission that was made clear in the text when it stated, 'As a public listed entity, additional requirement by Bursa Malaysia Securities and the Securities Commission have been

incorporated into the Group's corporate and operational processes to enhance operating efficiencies and sustain growth'.

Drawing from the literature, public listed companies in Malaysia are required to disclose their CSR activities as part of listing requirement (see 3.3.3 CSR: Towards competitive business and developed nation) which was announced by the then prime minister, Tun Abdullah Hj Ahmad Badawi in the annual budget 2007. In this context, both Bursa Malaysia and Securities Commission are responsible agents that made reporting CSR as mandatory for all public listed companies. The notion 'additional requirement' is used in the text to substitute legal compliance to reporting CSR. The term CSR was eventually made explicit through the following phrase, 'These benchmark collectively form the ambit of our framework for Corporate Responsibility' which identifies CSR as part of the underpinning mechanism to achieve the intended business goals. In this context, CSR practice is constructed as business compliance to regulations imposed by regulatory bodies that subsequently provides competitive advantage to business. This is consistent with the literature (see Chapter 3) as it affirmed that law is one of the main drivers that would force business to embrace responsible practices in Malaysia (see Shum & Yam 2011).

CSR has been conceptualized as an inevitable practice to achieve desirable ends for business such as 'bring shareholders value' 'enhance operating efficiencies' and 'sustain growth' (the italics represent original phrase used in the extracts). This implies an imbalance benefits accrued from CSR that largely endowed substantial benefit to organizations and its strategic stakeholders i.e. investors rather than creating values or sustainable living to other less dominant groups in society.

In a different text, *CR for business survival* repertoire is again used to demonstrate business readiness to transform in response to volatile global economic situation as illustrates at the beginning of the following extract:

Report 5: 'We present our 2008 Report at a time when businesses around the world are globally challenged with rising costs and international economic instability-in short, the sustainability of a business becomes a major concern. There is no question that the game has changed for business and if we are no longer able to change a situation, we are challenged to change ourselves. As many managers shore up cash, downsize risk, and cut costs while enhancing execution, we are looking to position ourselves for the future.' (EEM Managing Director, Sustainability Report 2008)

The first part of the sentence shows business commitment to responsible business conducts. This is clearly manifested through the publication of Sustainability report 2008 despite business undergoing much constraints that explicitly pictured in the text such as, 'the world are globally challenge, 'rising cost', and 'international economic instability'. Thus, it can be construed that there is an immense pressure to demonstrate responsible business practices particularly when business survival is at stake. Additionally, this may also imply underlying fear in view of much economic uncertainties that put the management under significant pressure to strengthen business position in the market by adopting responsible business practices as part of its strategy.

The notion 'change' has been used repeatedly to construct multiple meaning. First, it represents the dynamic challenges encountered by business as illustrates in the following phrase, 'There is no question that the game has changed for business'. Next, the term 'change' is used to represent a strategic action undertaken by management to preserve business position in the dynamic environment, 'if we are no longer able to

change a situation, we are challenged to change ourselves'. This situational phrase was used to acknowledge the importance to modify business strategy and that includes embracing sustainability practice in order to be in controlled in the midst of a highly challenged situation. Finally, a visionary clause has been used to construct business outward commitment to endure in a long term, '...we are looking to position ourselves for the future'. The whole sentence has been constructed to demonstrate organization's assurance and commitment to deal with volatile economic situation in order to remain competitive and dominant in the market. CSR or responsible business practices has been conceptualized as a strategy to preserve business's position in a turbulent economic environment that inherently reactive.

Business strong commitment to responsible practices has been made more apparent in the next extract particularly when business proclaims its role in society along with making profit as illustrated in the following:

Report 5: 'We believe that our businesses can grow while contributing favorably to the environment and society we operate in without imposing significant cost or constraint to our operations. EEM wants to make meaningful changes, publicly reaffirm our commitment and have a constant scale for the public to measure. We uphold the idea that if we do not create changes, then change will create us. Thus, we have developed our own sustainability policy in conjunction with this 2008 Report focusing on creating value for our customers and businesses while improving our efficiency' (EEM Managing Director, Sustainability Report 2008)

The first sentence from the extract demonstrates business strong conviction to prosper in business while assuming its social role. This social commitment is clearly expressed through a mental process, 'We <u>believe</u> that our businesses can grow while contributing favorably to the environment and society we operate in'. Commitment to

society and environment was not viewed as a liability to business when the next phrase clearly detached such commitments from any cost or constraint, 'without imposing significant cost or constraint to our operation'. In addition, business reaffirms its social commitment through the phrase; 'EEM wants to make meaningful changes, publicly reaffirm our commitment and have a constant scale for the public to measure. The word 'wants' signifies a proactive and voluntary intention of business to pursue its social responsibility that outweighs the reactive approach in view of economic pressure. However, a competing phrase transpires when such commitments was conceptualized a prerequisite for business survival which is evident in the later part of the extract, 'We uphold the idea that if we do not create changes, then change will create us'. This situational phrase illustrated underlying fear that failure to change would threaten business to stay dominant in the market. Finally, the extract illustrates business's outright action in developing a sustainability policy as part of its commitment to cope with business challenges. In this context, the development of sustainability policy could be viewed as largely business driven that benefitted customers and business as a whole. This was clearly highlighted at the last part of the extract such as, 'creating value for customers' and 'improving our efficiency' rather than creating sustainable values to other disadvantaged groups within society or to the environment.

In another account, *CSR for business survival* repertoire has been used to demonstrate business's response to embrace CSR in view of societal pressure as highlighted in the following extract:

Report 4: 'MCC Group has always strived to increase the value of our shareholders, business partners, employees, society and the environment by developing quality products and maintaining strict safety measures that serve to enhance the quality of life for all and by committing to efficient and purposeful growth. Our environmental

policies and projection for continued sustainability shape the way our businesses are run and how we protect those that matter most.'(Chairman of MCC, Corporate Responsibility Report 2008)

Report 4: 'We are also conscious on the fact that society is becoming more sophisticated and aware in articulating its expectations of the private sector. Not only we do embrace this trend, but we at MCC see it as an opportunity to reveal more of our long term business environment in a transparent manner.' (Chairman of MCC, Corporate Responsibility Report 2008)

Unlike other extracts, the Chairman of this company identifies business as a responsible social actor that operates to increase value to wider stakeholders' i.e. 'shareholders', 'business partners', 'employees', 'society' and 'environment'. In this context, value could be extended beyond the financial to include responsible practices that bring about positive change to non-shareholders such as employees, society and the environment. Management reaffirms business commitment to responsible practices that have been embedded in its environmental policies and subsequently shaped business operation. This is clearly illustrated through a declarative statement, 'Our environmental policies and projection for continued sustainability shape the way our businesses are run and how we protect those that matter most'. Nevertheless, the phrase 'those that matter most' depicted business's tendency to give greater attention to selected publics. In other words, business's stakeholders fall into varying degrees of importance to business. Therefore, it could be construed here that those that matter less to business would be largely deprived from the policy.

Meanwhile, the second part of the extract illustrates a mental process that shows business commitment to meet the societal expectations, as illustrated in the following phrase, 'We are also conscious on the fact that society is becoming more sophisticated and aware in articulating its expectations of the private sector'. This statement tends to position management as largely aware and knowledgeable about societal needs and expectations, hence striving to offer greater value to them. Nonetheless, meeting social expectations is being constructed as a 'trend' in the text that may represent a short-lived practice adopted by business. In this context, CSR practice could be viewed as a strategy that embraced by business to suit the current needs and conditions that is part of management fashion. Abrahamson (1996) defined management fashion as:

'a relatively transitory collective belief, disseminated by management fashion setters, that a management technique leads rational management progress.' (p.257 in Pieczka & Escobar 2010, p. 2)

Therefore, this textual analysis conceptualized responsible practice as largely perceived as a relevant strategy adopted by business to meet the current societal expectations. In other words, CSR maybe infer as a short term initiative that helps organizations to reap profits, and subsequently remain prominent in the midst of societal pressure.

On the other hand, *CSR* as business survival repertoire also emerged from an interview transcripts which explain the need to transform and be independent from government support in order to survive in the long term, as highlighted below:

Interviewer: 'Is there any external pressure from outside that pushes EEM to pursue CSR? Like the environmental groups or NGOs?'

Manager 2: 'NGOs no! It is more on our own self in the past ... it is actually also driven by the group's mother company because we are all GLC but the message to us in the last 5 years we have to transform ourselves we can no longer just depend on government so called niches to do

business, we literally to conduct business on our own so that is why we have started transforming ourselves taking action to do things that will sustain us, without the government so called niche area given to us.' (personal communication, July 24 2009)

The respondent rejects the pressure from the activists' movement as a factor that reinforces business to undertake CSR. Instead, he strongly attributed the practice as part of business's transformational process that is largely driven by the parent company. This transformative action is imperative in order to adapt with the new business order in the country, and to be independent from government support, particularly in obtaining business projects. The respondent has made the position of his organization clear by stating 'we are all GLC' or known as government linked companies in which the Malaysian government has a direct controlling stake (see details of GLCs at section 3.2.3 PR: Promoting government policies). Traditionally GLCs received adequate support from the government, particularly in terms of securing business projects. Furthermore, the following phrase depicts CSR as a top down approach when the respondent states, '...but the message to us in the last 5 years we have to transform ourselves we can no longer just depend on government...'. 'The word 'message' implies instruction received from the higher authority for the company to transform.

It is important to highlight that data from interview has the capacity to reveal the local issues and conflict that never get highlighted in CSR reports. This has contributed to a rich description of the subject understudy in this thesis (see section 4.5 Triangulation).

In the following extract, the respondent revealed that the pressure received from organization's stakeholders has also contributed to business early engagement in CSR:

Interviewer: 'In that sense, CSR in EEM has started in 1996? Or earlier than that?'

Manager 2: 'Well, ...in this case, although the company was very small when we started we already have a PR department and this was way back 1991... when this company was registered. I think because the nature of our business,...we have a waste management centre in *Negeri Sembilan*when this idea of setting up a waste management centre in this particular district we received a lot of NIMBY protest from the residents. Therefore, we must_do a lot of management of relations with all the people there. So, it started from there.' (personal communication, July 24 2009)

The respondent reminisced that the organization's early engagement in CSR was largely part of PR strategy to manage relationships with the community. This PR initiative is imperative in view of the organization's nature of business that deals with managing hazardous waste. In this context, the respondent appeared moderately certain that the idea of setting up a waste management centre had resulted in protests from nearby residents. The protests were launched by the NIMBY (not in my backyard) group who largely disfavored management's decision in setting up a waste management centre within their neighborhood. This protest can be construed as an example of how capitalism in practice can be challenged by a group that attaches value to different interests. In this context, the NIMBY protest is a threat to business operations and CSR is constructed as a tool to respond to that threat. CSR is construed as a PR strategy to manage business and community relationships during a crisis that is instrumental to maintain business survival.

A strong commitment to embrace change or responsible business practice has been omnipresent throughout texts, examined mainly from CSR reports. *CSR for*

business survival repertoire has been largely used to construct CSR as a strategic tool embraced by business to maintain its competence in a dynamic business environment. This action would eventually garner trust and confidence from business strategic publics i.e. shareholders, customers those to which CSR report would likely be circulated. The repertoire also portrays business being responsive to changes and alert to issues that are currently taking place within its environment. In this context, responsible practice or CSR is constructed as part of business transformation process in responding to volatile economic environment, regulatory expectations and social pressure to maintain its dominance. This analysis suggests responsible practices are largely business-driven and inherently reactive. At the same time, companies have developed CSR policies that substantially generate benefits to business and its critical stakeholders.

Organizations' tendency to embrace socially responsible practices to mitigate pressure in the environment corresponds with the system approach as elaborated in Chapter 2. The system theory recognized organizations as having mutual dependence with an environment and that they 'must achieve appropriate relations with the environment if they are to survive' (Morgan 2006, p.38). In this regard, organizations should acknowledge their inter-dependence with others by being responsive towards the expectations of various stakeholders that exist within their environment. Burns & Stalker's research on closed (mechanic) versus open (organic) organizational systems affirmed that a business that treated problematic situation as contemporary deviations from the norm and doing whatever it could to stabilize its operating environment, is more likely to succeed than those which remained rigid and refused to change (cited in Morgan 2006, p.46). At the same time, Morgan (2006) asserted that a business's ability

to scan and sense changes is significant in order to respond in a timely and appropriate manner. This would open a huge opportunity for PR role as adaptive sub-system to help an organization to adapt and adjust to these changes (see section 2.3.4 PR and ethical practice). This contention argued that PR initiatives including CSR could be used to alleviate the pressure imposed within a business environment. At the same time, managing relationships, which is at the core function of PR is viewed as essential to mobilize trust and support from business stakeholders. This analysis suggests CSR is part of a strategic attempt to maintain business status quo rather than a voluntary practice that add values to organization's stakeholders particularly to the less dominant groups within society.

This thesis has found that business commitment to create a sustainable impact on society and other less dominant groups remain obscure in the texts. It further suggests that sustainable practices tend to prioritize economic growth rather than give sufficient consideration to other social needs. This finding conforms to the concerns raised by critical scholars that CSR serves as a strategy to pursue the interests of capitalists' and yields greater benefits to business rather than to other less powerful groups in society i.e., CSR recipients (see L'Etang 1994, 1996, 2006 and Sklair & Miller 2010) thus has ethical implications (see Chapter 2). The next theme which emerged from the texts *CSR as a symbol of success* also seems to support the interest of capitalists.

5.1.2 Repertoire: CSR as a symbol of success

CSR as a symbol of success repertoire represents CSR as a sign of business's achievements which is largely built through recurrent visionary phrases. These are highlighted in the following extract:

Report 6: 'Our CSR report is another milestone in our journey to becoming to be a premier global expressway group by explaining to our stakeholders our approach and objectives in CSR and our progress and achievements during the past few years......We aim to be a leading global player in highway management and we believe that our commitment to social and environmental issues will play a key role in bringing this aim into reality.' (Chairman & Managing Director of DELUXE, CSR Report, 2008)

The following notions 'milestone', 'premier global expressway group' and 'leading global player' are used to construct CSR as a symbol of business success and advancement in business at the global level. Drawing from Malaysian experience, local firms were obliged to embrace socially responsible practices in order to secure more business opportunities from its international counterparts particularly following the 'industrialization' policy (see Chapter 3). This corresponds with Visser (2008) when he affirmed that:

'CSR is driven by standardization imposed by multinationals striving to achieve global consistency among their subsidiaries and operations in developing countries' (p. 486).

In this context embracing responsible business practices serves as an avenue for a business to be acknowledged by its international counterparts.

The extract also comprises strong aspiration and commitment to assuming social responsibility to achieve business economic goals. This is evident by the direct and forceful clauses used to construct business commitment to CSR such as, 'we <u>aim</u> to be', and 'we <u>believe</u> that'. This demonstrates a strong conviction that commitment to CSR could help a business to be a leading player among its international counterparts. This extract suggests CSR has been implemented for a strategic reason to be at par with its global counterparts.

In a different report, *CSR* as a symbol of success repertoire is again used to construct CSR as a benchmark of corporate success. Success in this context is defined beyond a business capacity to generate profit, but also includes its ability to contribute back to society, as illustrated in the following extract:

Report 1: 'A successful organization is not only measured through its ability to generate profits and returns to its shareholders, but one that is able to contribute towards the well-being of the community.' (PCB Chairman, CSR Report 2007)

This statement gives social commitment an equivalent importance to the financial commitment of a business. Nonetheless, the neoliberal economists (e.g., Levitt 1958; Friedman 1970) strongly challenged the idea for corporations to have responsibility other than maximizing profit as explained in Chapter 2. In this regard, it is important to measure to what extent CSR contributes or give impact to both business and other non-financial stakeholders that include community. However, this thesis strongly infer that evaluation on CSR has been scanty and hap-hazard rather than systematic. In many instances, reporting appears to be the most frequent mode of assessment for CSR. This includes annual publication of CSR or sustainability report to

meet the regulatory requirement. This has been clearly illustrated in the following extracts:

Interviewer: 'How often do you evaluate CR program in KLUX?'

Manager 15: 'Annually. We have a report, the CR committee publishes the report every year. Though we meet as a team quarterly or at least twice a year to just see what's going on and report. But an official documentation comes out every year in terms of what we have done, challenges, contributions etc.' (personal communication November 11 2009)

Manager 13: 'Evaluation are done basically very a subjective... is based on report. So for instance with *Yayasan Salam* we have 9 ICT centers. So basically the end of the year report come back to us. Nine ICT centers what going on? how are they operational, how many people? what are their monthly operational cost? that kind of thing. So I don't know whether there's a science to it yet. But I think reporting helps and I think it's essential.'(personal communication November 5 2009)

In the first extract, the respondent explained that the focus of reporting was mainly to present the organization's performance in CSR. Key words such as 'what's going on', 'what we have done', 'challenges', and 'contribution' are mainly to update current status of CSR activity that entails how much the organization has contributed to society and the challenges that it has experienced in the implementation stage. These assessments are predominantly constructed from the management perspectives. Focusing merely on operational costing rather than values generated to the recipients would not help to measure CSR's worth to stakeholders. At the same time, this form of assessment again represents organizational perspectives of the CSR programmes rather than coming from the stakeholders' viewpoint. In this context, the actual impact of CSR programmes to the stakeholders would remain obscure. Likewise, in another example,

feedback from CSR recipients was mainly sought to the advantage of the organization. Practitioners also keen to quantify CSR initiatives and that includes operational details and size of recipients as illustrated in the second extract. In this case, the evaluation was mainly carried out to help organization understand its performance and contribution in CSR rather than looking into how the organization could further help to meet stakeholders' need that again showed in the following extract:

Manager 2: 'Well, I won't say,...but we evaluate it through different exercise. We do have our annual customer survey which means we get feedback from customer on anything what they feel, .. we do have dialogue with residents every year to gauge from them what they think of us, any opinion any views to engage them and to also get a feedback on how we have been doing, and of course we also publish this report which is available to all parties especially to those who know us, if the public wants it they can download from our homepage, its available there.' (personal communication, July 24 2009)

Despite having multiple modes of assessments, greater attention was still given to organizational performance in CSR. This could be seen from the following statement, 'we do have dialogue with residents every year to gauge from them what they think of us, any opinion any views to engage them and to also get a feedback on how we have been doing'. In most cases, there is still lack of efforts to demonstrate how CSR initiatives create sustainable value to both business and other stakeholders. In this case, the actual value of CSR to organizational success and its actual impact to society would remain indefinite.

Alternatively, *CSR* as a symbol of success repertoire could also be construed as an attempt to sell the idea of doing good to build a positive business's image among organizational stakeholders which will be further addressed in the next chapter. The

next section addresses the competing theme that has emerged from the texts prior to analyzing these repertoires from the social practice level and a wider social context.

5.1.3 Repertoire: CSR as corporate culture

Intriguingly a competing pattern emerged from an executive message of a government link company (GLC) that conceptualized CSR as part of corporate culture. This repertoire described CSR as an embedded practice in the corporate culture and business operation as a whole, and that treated as an indispensable value for contemporary business:

Report 1: 'The practice of CSR has been an integral part of PBC's culture as we have made it as an obligation for PBC to give back to the community as well as the investors. CSR has been implemented as one of the basic components in business practice as we strongly believe that business operations should not be based on merely on profit. We are fully aware that business is_not all about reaping profits, but also very much related to the values of humanity' (President of PBC, 2007)

The extract represents a strong commitment to integrate CSR in business by the use of the following phrases, 'CSR has been integral part of PBC's culture', 'we have made it an obligation', and 'CSR has been implemented as one of the basic components in business'. This strongly signifies CSR as a significant element of business rather than just a short-lived trend in the firm. In this context, the essence of giving back to society, including investors, has been made obligatory to all employees of the firm. It is worth noting that the most part of the extract used a passive voice, in which the agent who is responsible for integrating CSR into business and corporate culture is implicitly stated in the text. In most instances, the pronoun 'we' is used to represent the agent. According to Barbara Johnstone (2002) the passive voice is often used to hide an agent

who is known or downplay the fact that an agent was involved (p.46). It is worth highlighting that as part of a GLC company, the firm has a close connection with the government. Therefore top management decisions in this context could be influenced by the government's direct action. This is purposely made implicit in the report to make the decision appear impartial or non-political. Nevertheless, it is assumed that the pronoun 'we' is used to represent the voice of the top management of the organization by virtue of its discourse practice⁴⁵; the text appeared in an official message from an organizational key player which is published in the CSR report. Employees whose voice is made implicit in the text are expected to assume a passive role; which in this context is to accept CSR practice as normal practice. Hence, their attitude and reaction towards CSR remains obscure.

Nevertheless, it is important to highlight that the extract is keen to intensify business's strong conviction towards responsible practices that found in the following phrases, 'we are fully aware', and 'we strongly believe'. I argue that these exaggerated phrases could spark skepticism among readers, and thus make the message less believable. This is paralleled with Ashforth & Gibbs (1990) argument that publics are not passive constituents in a legitimacy process. Therefore, management action in making overstatement, exaggerated or inflammatory claims to defend organization's legitimacy could produce a detrimental result (see Chapter 2).

On this note, I strongly believe that communicating a business responsible behavior is highly complex. What a business communicates and how the message is being communicated need to be handled with extra care to avoid skepticism.

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⁴⁵ The production, distribution and consumption of a text (Fairclough 2010, p.95)

On the other hand, communicating a strong commitment to undertake responsible practices could also viewed as an impact of government influence which particularly true for a government-controlled companies or GLCs (see Zain, Mohammad & Alwi 2006; Amran & Susela 2008) besides to portray a good image and reputation.

Alternatively, by assuming social responsibility and accepting other values than solely making profit tends to distance businesses from being perceived as a selfish economic actor. This is aligned with Kurucz, Colbert & Wheeler (2008) who asserted that businesses are value creating actors that assume multiple roles in society such as economic⁴⁶, political⁴⁷ and social⁴⁸. The CSR as part of corporate culture repertoire found to be largely consistent with the nature of establishment of GLCs in Malaysia that entrusted by the government to assume a commitment to society apart from making profits (see more details in Chapter 6).

At the discourse practice level the content and style of reporting CSR particularly from the executives' messages to stakeholders, is largely shaped by the philosophy, history, intended objectives and potential readers of the publications. This thesis has shown that enhancing financial prospects by doing good has been a dominant theme in constructing CSR, thus predominantly supports the neo-liberal values that advocated strategic CSR to maximize profit (see Lantos 2001, 2002). In this case, CSR could be construed as a business's rhetoric that is constantly used to mobilize

⁴⁶ The function of business is to efficiently convert inputs to products and services and to create financial wealth, and CSR activities are admitted as a means to that narrow end.

Extend the economic role to include a complex mix of political and economic interests and dynamics. The power and position of the corporation in society is the central concern; the organization accepts social duties and rights or participates in some form of social cooperation (Garriga and Mele, 2004) as an expected part of doing business.

48 Embrace both the economic and political roles for business, and also extend to improving general social wellbeing.

continuous support for social investments particularly from organizations' strategic publics. The notions of 'efficiency', 'effectiveness' and 'business growth' have been used to a great extent to legitimize social investments. Drawing from critical discourse perspective, PR functioned as the discourse technologist who acts on behalf of corporations and actively involved in the production and distribution of texts to support a specific interests (Motion & Leitch 1996). In this context, it is argued that PR role is to generate and promote a CSR discourse that supports the business's overall mission.

Therefore, I strongly argue that management's power to decide what the public is supposed to consume from a CSR report is less likely to do justice for stakeholders particularly in helping them to make informed decision. This gives support to the previous study that revealed most social information provided by Malaysian firms in the annual report was mainly to enhance corporate image and has yet to fulfill the need of those who consumed the report (see Nik Ahmad, Sulaiman & Siswantoro 2003; Zain, Mohammad & Alwi 2006). Over emphasis of positive CSR implications could somewhat deprive stakeholders from other information which could be considered more significant to them in the decision making process. Similarly, focusing on specific information that a business find important, i.e. progress, achievement in CSR, taking pride of in what is presented and assuming it is what stakeholders want to hear raise the potential risk of a business being 'self-seduced and self-absorbed⁴⁹' (Morgan 1999, Christen & Cheney 2000 in Morsing & Schultz 2006, p.333). In this case, scholars have suggested a close collaboration with stakeholders to identify potentially critical issues of importance that merit being reported (Morsing & Schultz 2006; Zain, Mohammad & Alwi 2006).

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⁴⁹ Not realizing that other stakeholders may not be interested or may not find the information presented as appropriate (Morsing & Schultz 2006, p. 333).

Both repertoires; *CSR for business survival* and *CSR as a symbol of success* that were largely emerged from CSR reports tend to reinforce the idea of responsible business or CSR as an integral resources to maintain business dominance in the market. This implies CSR is a tool for business to attract more investment from strategic stakeholders and subsequently increase wealth rather than a genuine attempt to change or improve society. This has implications to other less dominant groups in society as they may not received equivalent benefits from CSR.

Similarly, this analysis argues that CSR reports serve as a tool which also has the aim of reaching important business alliances e.g. regulators, shareholders, and customers, including the government. For this reason the content is primarily strategic in nature, with the aim of achieving specific results. This is consistent with Habermas (1984) concept of strategic action in communication that focuses on activity exchange ⁵⁰ rather than knowledge exchange ⁵¹ (in Fairclough 2003, p. 105). The ultimate goal of strategic action is to maximize one's own preferences and interests (Habermas 1981, p. 129-130 cited in Niemann 2004, p. 381). Thus, the content and style of reporting CSR is largely designed and controlled by the firms to reassure local and international shareholders that CSR brings greater value to business and enhances its competitiveness. In this context, the underlying value of pursuing CSR is to promote profit maximization that would benefit business and the nation as a whole. This is intertwined with a utilitarian approach that promotes actions that yield the greatest good to the people as ethical that explained in Chapter 2.

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⁵⁰ The focus is on people doing things or getting others to do things (Fairclough 2003, p. 105)

⁵¹ The focus is on exchange of information, eliciting and giving information, making claims, stating facts (Fairclough 2003, p. 105)

This thesis affirms that CSR is a social construct largely influenced by the given social, cultural, economic and political contexts of a country. In other words, CSR constructions in the texts need to be understood within Malaysian unique historical, sociopolitical and economic contexts. Based on the repertoires emerged from the texts I would argue that CSR in Malaysia has been largely reactive. Notwithstanding the claims made that CSR in Malaysia is still at its infancy stage (Rashid & Ibrahim 2002; Ahmad & Rahim 2003; Ramasamy & Ting 2004 in Lu & Castka 2009), the practice is not a new phenomenon among business firms in Malaysia. It has been observed that the aspiration of doing good to do well in business has been well embedded in government policies and largely accepted and promoted by regulatory agencies and business as a whole.

Reflecting on the literature in Chapter 3, the essence of CSR practice could be traced back to the beginning of the industrialization era in Malaysia that was introduced during the tenure of the then Prime Minister Tun Mahathir Mohamed (1981-2003) in the early 1980s. This development has strongly encouraged local businesses to follow global business trends to draw international investors and that includes CSR practices (Amran &Susela 2008). In this regard, embracing best practice in business is deemed necessary to put local firms on par with global standards. Drawing from a similar premise, the government has made it compulsory for public listed companies to disclose their CSR initiatives, as effective from financial year 2007 (Badawi, September 2006). Subsequent to the new ruling more publicly listed companies (PLCs) have now published a standalone CSR report instead of incorporating it into their annual report. This is evidenced by the CSR reports used in this thesis, as these are predominantly from PLCs. In short, business best practices would not only benefit firms to remain

competitive but also enabled them to drive the Malaysian economy as a whole. Having a stable and robust economic state is essential to ensure Malaysian continues to enjoy equitable distribution of wealth which claimed imperative to preserve the national unity of the multi-racial society in the country (see Chapter 3)

The Government Link Transformation programme (GLCT) was part of government's initiative to stimulate economic growth. Among others GLCT aimed to create economic and shareholder value through improved government link companies (GLCs) performance (see details in Chapter 3). Besides pursuing financial targets, GLCT was also expected to deliver benefit to various stakeholders based on the underlying principle of national development. In view of this development, GLCs have gradually included CSR as part of their business practices. This could explain why atypical pattern emerged from a GLC's CSR report that proclaimed CSR is part of corporate culture.

5.2 Conclusion

This chapter has addressed how CSR is practised in Malaysia by critically examining how the practice has been conceptualized from the business' perspectives. CSR practice could be viewed as an ideology that strongly embraced by corporations to achieve business competences and sustain growth. This thesis argues that despite its active engagement to promote economic growth, CSR may deprive other values to prevail that may include the government's objectives in enhancing the standard of morality and caring values as delineated in the Vision 2020 (see details in Chapter 3). Another implication is that CSR would hardly be of equal value to non-financial

stakeholders i.e., the less privileged groups in society when compared with business and its strategic publics. In this context, CSR has succeeded in promoting business's interests rather than meeting the needs of society and other less privileged groups. This thesis argues that how CSR is conceptualized by management would greatly influence the underlying motives of pursuing CSR practice as elaborated in the next chapter.

CHAPTER 6: THE UNDERLYING MOTIVE TO PURSUE CSR

This chapter begins by examining dominant themes that emerged from both interview transcripts and executive messages drawn from CSR reports in relation to the underlying motive to pursue CSR among firms in Malaysia. Four dominant motives of pursuing CSR emerged across texts which include the following:

- business case
- doing good for the nation
- personal values
- religion

The chapter will first examine the *business case motive*, followed by the *doing good for the nation* motive. Next, *personal values* and *religious* motives are discussed concurrently as they are found to be closely intertwined in the texts. The analysis elucidates what these themes represent, including their function and implication within specific contexts.

6.1 Repertoire: Business case motive

Motive is defined as the reason, need, want, intent, purpose, or goal that affects a person's decision or choice (Di Norcia & Tigner 2000, p.5). The underlying motive to pursue CSR is depicted as a tricky concept that is rarely disclosed by corporations for the fear of negative reactions (Dunfee 2008). This thesis argues that interpreting the

motivation of socially responsible action is imperative as it has implication for CSR practices. The motive would largely drive the decision to pursue a socially responsible initiative and thus reflect in its programme and implementation which impose particular implications to both organization and its CSR's recipients. Furthermore, as a Muslim⁵² researcher I personally find intention as an integral element that qualifies actions. Having the right intention is paramount in Islam. As a *hadith* (saying of the prophet) stated that, 'actions are but by intentions and every man shall have only that which he intended' (Zainuddin Ahmad 2009). Therefore, from Islamic perspective good deeds without pure intention may not be rewarded by God. Similarly, the Kantian ethical framework (see section 2.4) also gives strong emphasis on the issue of one's intention in the pursuit of CSR. However, having the right intention from Islamic viewpoint underscores one's motivation to do good that is merely to obtain the pleasure of God rather than any other material gain. The analysis of this chapter will take into account religious values.

The literature established that firms always have mixed motives for pursuing CSR, ranging from altruistic to personal interest, all of which 'raise difficulties in interpreting motives' (DiNorcia & Tigner 2000, p.1; see also L'Etang 1994; Dunfee 2008). This thesis argues that this could be the reason of inadequate attention given to CSR motives in the literature. Correspondingly, the actual motive of pursuing CSR in Malaysia, which includes reporting corporate social performance, has remained unclear (Amran & Susela 2008).

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⁵² A Muslim is a person who embraces the religion of Islam.

This thesis found that the business case or strategic motive has been primarily dominant across texts. Those who championed CSR for business motives viewed CSR activity 'as part of the management strategy to create wealth for the stockholders' (Salazar & Husted, 2008, p.143). In other words, CSR is embraced to enhance business competitiveness. In this context, the intention to pursue CSR is mainly attributed to bringing better financial return to strategic stakeholders i.e. shareholders and customers, or simply to enhance operational efficiency, or to show compliance to regulations. Recent findings reported that major drivers of CSR activities in Malaysia were 'business case' issues such as: reputation; brand enhancement; promotion of shareholders' values; reducing risks; and/or complying with legislation in Malaysia and abroad' (Ali *et al.*, 2009, p. 208).

Likewise, key words and phrases that build the business case motive in this thesis are derived from the same issues. These phrases include: 'enhance the brand image', 'achieve better relations', 'investor relations' and 'contribute to bottom line' that build business case motive repertoire, as illustrated in the following extracts,

Report 1: 'We hope that these CSR programs will enhance the brand image of PBC in the country' (President & Group Chief Executive of PBC, CSR Report 2007)

The first extract emphasizes the firm's aspiration to pursue CSR to enhance its brand image, and this is integral for business's success. The modal verb 'will' used in the sentence implies a strong prediction held by business towards what CSR programs could bring. This statement indicates a strong inclination to promote a company as a brand through CSR initiatives. According to Argenti & Druckenmiller (2004) a company engages in 'corporate branding when it markets the company itself as a brand'

(p. 368). In this context, a CSR programme could be superficially used to promote a positive branding of the company that would create a distinctive value from others and subsequently contribute to a favourable reputation or image. This corresponds with Argenti & Druckenmiller (2004) findings that business has frequently incorporated CSR into corporate branding to enhance reputation. L'Etang (2008) argued that corporate branding is a consequence of managerial efforts to direct and control identity (p.53) rather than developed through organizations' history or policy. Using CSR to better promote a 'brand image' of firm is a clear business case motive as it largely benefitting the organization rather than other stakeholders. It has been broadly accepted in the literature that image or reputation is a significant organisational asset which has equivalent value to other commodities. Scholars affirmed that a positive reputation is imperative for organisational survival as it creates a competitive edge for a company (see Fombrun 1996; Forstmoser & Herger 2006). Reflecting on the literature in Chapter 2, this is an explicit example of CSR as a means to enhance corporate reputation that is inherently self-serving.

At this point, it is worth cautioning that aggrandizing on image could affect the focus of CSR initiatives. In this case, priority could be given to lip service or window dressing efforts to generate wider publicity rather than to serious CSR planning and implementation. In this context, the CSR initiative aims to accomplish a short-term business goal, rather than a sustainable investment that provide a significant impact to society. In a different report, CSR has been constructed as an approach to achieve better relationships with business's stakeholders, as illustrated beneath:

Report 3: 'Our relationship with road users is of utmost importance in the development and success of our business going forward. Good customer relations will enhance reputation and public trust in our management

approach and style. This in turn will allow us to develop new ideas for generating business opportunities as well as helping build a relationship in which we can promote our core messages of safety, efficiency and environmental management. Building these relationships will be central to our future success in Malaysia in our existing and new concessions overseas' (Chairman & Managing Director of DELUXE, CSR Report 2008)

This extract, among others, identifies business's relationship with stakeholders as an integral element in advancing business success. The modal verb 'will' has been prevalently used in the extract and largely suggests a strong assumption of the underlying value of relationships with stakeholders such as 'will enhance', 'will allow', will be central'. A number of key phrases found to represent the positive outcome expected to be derived from this organization-stakeholders relationship are: 'business going forward', 'enhancing reputation and public trust', 'develop new ideas', 'business opportunities', and 'future success' all of which have a strong business slant. This illustrates a strong tendency of the firm to capitalize benefits that accrued from their relationships with stakeholders that was largely developed through CSR. Nevertheless, business-stakeholders relationships in this context failed to promote an equivalent values to stakeholders thus, generated imbalanced outcome.

In addition, relationship building was exclusively extended to financial stakeholders who are identified in the text as 'road users' and 'customers'. These stakeholders could be construed as the primary stakeholders of the firm as they bring more direct impact to business. In most cases, firms recognized investors and customers as critical business stakeholders and devote more attention to them than other groups (see Post, Preston & Sachs 2002). Chapter 2 has addressed on stakeholder theory that

advocates favourable relationships with critical stakeholders for business to increase wealth (see Post, Preston & Sachs 2002) that could also be applied in this context.

Finally, the management reiterates its strong conviction of the value of business-stakeholder's relationship in achieving success at local or international level by using a strong modality in the phrase, 'Building these relationships will be central to our future success in Malaysia in our existing and new concessions overseas'. In this context, relationships with strategic stakeholders have been very much exploited by business to its own advantage to accomplish the firm's economic goal. In the interim, how these relationships contribute in creating a positive impact to other stakeholders including the society was not being addressed. At the same time, Waddock & Smith (2000) reminded business of the danger of placing too much value on economic matters, to the exclusion of other important values such as, mutual respect, human dignity and ecological sustainability (p. 56) that would impede long term and enduring business success.

Likewise, the business's motive also transpires during an interview with the Corporate Communication General Manager of the same firm that identifies CSR as a strategy to attract international investors:

Interviewer: What is the main motivation of doing CSR for DELUXE. Does it have anything to do with the nature of your business?

Manager 6: Nature of our business, yes!. It is our interest. As I mentioned road safety is our main platform. But the same time I think management is also mindful that now a lot of potential investors are looking at the CSR element before they actually put money into your company (personal communication, August 20, 2009)

The respondent demonstrates a strong assurance that CSR is largely pursued based on business's interest particularly when she affirms that CSR is integral to attract investors. In this context, CSR is constructed as an invaluable asset that could be offered in exchange for financial investment. As mentioned in Chapter 2, Malaysian economy has been largely transformed subsequent to the 'industrial policy' introduced in 1980s that had lured foreign investors into the country. This imposed a new challenge for local firms to incorporate global business trend to create their competitive advantage and that includes CSR (Amran & Susela 2008). Therefore, CSR in this context was a clear illustration of a strategic business attempt to enhance its business competitiveness particularly to attract potential investors.

In a similar vein, another respondent who is currently leading the CSR initiatives of her firm enunciated CSR as integral to business's survival. This is illustrated in the next extract:

Interviewer: 'Talking about all these sustainability efforts of TNC, do you think it's contribute back to the image and reputation?'

Manager 11: 'Oh yes, Definitely!. I think it boost up the credibility but we're not in need for that. We in it for our own survival too.....I think sustainability has already becoming a mainstream thing for many companies...you can choose not to do it but like I said, we're doing it for the survival aspect too not just good to have!........We are very visionary in that sense. We don't want to be a laggard in terms of this. So, we actually do even more and take more precautions to prevent it because it's a risk!. If you don't factoring the climate change, you don't factoring sustainability, you are going to lose out!'(personal communication, September 3 2009)

The respondent has generally accepted the idea that CSR enhances business's position. By the same token, she relatively acknowledges the relationship between CSR

and reputation. However, the respondent firmly denies her organization's commitment to CSR merely for reputation purposes when she states, '...we're not in need for that'. A strong business case motive explicitly transpires when the respondent enunciates business engagement in CSR as being mainly driven to ensure continuous business survival. This commitment has been expressed when she said 'we're doing it for survival aspect too not just good to have'. In this respect, the notion 'survival' serves as an instrumental reason for business to engage in CSR.

In addition, the respondent also affirms that engagement in CSR represents that the firm is a farsighted and innovative entity. Visionary phrases have been used to represent business positions in CSR such as, 'we are very visionary' and 'we don't want to be a laggard' which demonstrates a strong inclination to assume leadership in pursuing a CSR initiative. Alternatively, these visionary statements could suggest a bandwagon pressure which implies business's tendency to be in the loop with other CSR champions. Therefore, it could be argued that business's decision to embrace CSR practice could be driven by 'peer' pressure, rather than genuinely driven by business commitment to sustainable practice. This pressure delineates the management fashion phenomenon that indicates a tendency to adopt a short-lived CSR practice to meet current demand as explained in the earlier analysis (see Chapter 5). Drawing from the institutional approach, Jackson (2001) has highlighted the propensity among business leaders to initiate action that resembles those who have been successful in the field. In this context, the perceived value of CSR tends to pressurise business leaders to imitate early adopters. This has been clearly elaborated by Abrahamson & Rosenkopt (1993) as a bandwagon pressure when they stated that:

> 'Organizations adopt an innovation not because of their individual assessment of the innovation's efficiency or

returns, but because of a bandwagon pressure caused by the sheer number of organizations that have already adopted this innovation' (p. 488 in Jackson 2001, p. 27).

This explains a possible tendency among firms to blindly adopt an innovation such as CSR into their system due to the institutional ⁵³ and competitive ⁵⁴ pressures imposed by their environment.

Correspondingly, in her final statement the respondent reaffirmed business's commitment to CSR in order to mitigate risks. The following phrases, 'it's *a risk*', and 'you are going to lose out' represent the adverse implications that could possibly be accrued when business fails to integrate sustainable practices. This also implies that failure to embrace socially responsible behavior was equivalent to putting business's future at risk.

Business case motive repertoire is also echoed in the executive message drawn from the CSR report of the same firm which construed CSR as an avenue for a network that brings business opportunity. This is demonstrated in the following extract:

Report 6: 'Personally, I am also proud to serve in several non-profit organizations that make leadership in sustainability possible......As a long time member of The Green Nature (TGC), one of the largest conservation groups in the world committed to protecting nature's most precious ecosystems, I had the privilege of working alongside world leaders to strategize, build partnerships and projects, as well as open doors to resources' (Managing Director of TNC, 2008)

Unlike other reports, this extract used the personal orientation and first person ('I' statement), rather than being written impersonally. Strong commitment to CSR is

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⁵³ Institutional pressure occurs when non-adopters fear appearing different from many adopters (Jackson 2001, p.27)

⁵⁴ Competitive pressure occurs because many adopters fear below average performance if many competitors profit from adopting (Jackson 2001, p.27)

largely represented in the mental process 'I am also proud...' that illustrates sense of pride and gratification when engaging in CSR. The message also underscores CSR as an avenue for business networking and gaining access to new resources, which is apparent in the following phrase: 'I had the privilege of working alongside world leaders to strategize, build partnerships and projects, as well as open doors to resources.' This implies that CSR activities are getting increased attention from world leaders and one's involvement in CSR offers a wide opportunity to build connection with other business's elites. The benefits of CSR in this context have been largely enhancing business, rather than other interests. This is consistent with Spicer's (1978a, b), Rosen et al. (1991), Graves and Waddock's (1994) and Pava and Krausz's (1996) findings that a firm's CSR behavior may open up opportunities for sources of capital (in Balabanis, Phillips and Lyall, 1998, p.28). On the same note, Aagaard (1996) asserted that corporate donations create opportunities to develop social contacts among key opinion formers, and to impress shareholders and important people in public life (in Ali et al., 2009, p. 206).

At a discourse practice level, reporting how CSR contributes to business is imperative to entice support mainly from financial stakeholders. This is because CSR publication (e.g. CSR report) is mainly distributed to shareholders and other strategic publics that have important stakes in the organizations. This justifies why most parts of executives' content tend to promote the idea of how business could seize greater business opportunity through social investment. A survey conducted by KPMG reported that 74% of companies disclosed 'economic considerations' as a driver for corporate responsibility (KPMG 2005 cited in Smith 2008). The analysis reveals

business case motive has been strategically highlighted and deployed in the texts to generate support from primary stakeholders thus, legitimize social investments.

A recent study conducted by ACCA (2010) has reported that creating a competitive edge in business served as one of the major factors which drive companies in the ASEAN region, including Malaysia, to produce CSR reports. As mentioned in Chapter 3, reporting CSR has been made mandatory for public listed companies (PLCs) in Malaysia, effective from the financial year 2007. This directive aims to make organizations more competitive and capable of attracting international investors, as elaborated in Chapter 3 (see section 3.3.3 CSR: Towards competitive business and developed nation). In this regard, the content of a CSR report could be purposely designed to comply with the regulatory requirement and to meet the expectations of international investors. It has been observed that the marketization of language was apparent in CSR reports in which the perceived values of CSR have been heavily promoted as desirable to achieve instrumental goals (see Fairclough 2003). Drawing from Fairclough (1992), Leitch & Motion (2010) argued that the concept of marketization is used 'to describe the spread of decontextualized knowledge that privileges the economic over all other considerations' (p. 104). This conforms to Hemingway & Maclagan's (2004) who argued that among others CSR disclosure and reporting could be viewed as part of strategic marketing activity. Therefore, greater space and attention are devoted to highlight CSR's potential in enhancing business and increased benefits to strategic stakeholders and subsequently attract more investment to business.

In this analysis, business case repertoire has largely prevailed both from interview transcripts and executive messages in CSR reports, and is thus emerged as a dominant motive that drives business to pursue CSR in Malaysia. It is worth to note that CSR driven by business case motive remains part of a moral debate among critical scholars. Drawing from the literature, scholars have asserted that the motivation to pursue CSR purely for economic goals would impede business from achieving a high ethical standard (see Andrews 1989; Duska 2000). Furthermore, building from the Kantian perspective, L'Etang (1994, 1996, and 2006) maintained that the motivation to do CSR based on self-interest is immoral as it generated imbalance benefits to stakeholders; in most cases the dominant groups in society i.e. government and corporations would receive the most advantage as compared to others. In this regard, she proposed for the inclusion of potential recipients' needs in CSR programmes as a way to ensure mutual benefits are achieved. However, the purpose of this thesis is not to argue about the moral underpinning of the initiative, but to understand the pattern of CSR practice in Malaysia by examining the underlying motive of the practice and its implications. On this note, this thesis argues that the motivation to enact responsible practices is dependable on the value held by business in relation to CSR, and that this is unique for every nation.

It is important to note that the implementation of CSR in Malaysia is in line with the nation socio-economic objective, as largely discussed in Chapter 3. Drawing from the history, poverty and economic disparity among races in Malaysia were among the major contributing factors that sparked racial tension in 1969 that halted the country's economic and social progress. In this context, economic stability and continuous growth is perceived imperative to maintain a fair distribution of wealth among multi-racial

groups in Malaysia. Economic motivation in CSR has been largely inspired by the government and other CSR champions in Malaysia and thus reinforced firms' commitment to integrate CSR as part of their core business strategy to enhance competitiveness. Scholars asserted that 'some kind of business case must be made to call attention and garner support from the business sector' (Joyner & Payne, 2002; Schmidt Albinger & Freeman 2000 in Kurucz, Colbert & Wheeler, 2008, p. 86).

However, a developed nation within the Malaysian context is beyond the attainment of wealth or economic growth, but more importantly seeks to raise the ethical standard of the nation (see 3.1.3 Vision 2020). I argue that over-emphasizing on business's growth and other commercial values depicted a self-centered business culture. This practice showed a divergence from Malaysian culture that promotes collectivism and care for others. At the same time, a business case motivation may deprive other primary objectives of the national Vision 2020 that includes establishing the prevalence of a fully moral, ethical and caring society (see 3.3.3 CSR:Towards competitive business and developed nation) to be achieved. The key question is to what extent CSR practices raise ethical standards among businesses and the society in Malaysia as a whole that worth further exploration.

Notwithstanding that, a strong business case motive emerged in the texts that there are other relatively prevailing patterns that claim the intention of doing CSR is beyond commercial value; this includes practising CSR for nation building.

6.2 Repertoire: CSR for the good of the nation

A consistent pattern emerged across texts that represent the motive for practicing CSR for the good of the nation. The key words and phrases that built this motive ranged from 'contribution to the nation', 'helping to ensure the long term success of the social and economic development of the country', and 'contribution to the growth and development of Malaysia and the rakyat⁵⁵ (Malaysian citizen), which are clearly used in the following extracts:

Report 1: 'PBC, the nation's premier investment institution, has been active in conducting a number of activities, either education-oriented or providing contributions to the needy, to activities and sponsorships as a contribution to the nation.'(PBC Chairman, CSR Report 2007)

Report 3: 'We are also proud of our contribution to the growth and development of Malaysia and the *Rakyat*, its people-who are also stakeholders in our company due to our ownership structure but more importantly due to the contribution we can make to them through our operations and services.' (Chairman & Managing Director of DELUXE, CSR Report 2008)

Commitment to pursue CSR is largely represented in the material process which illustrates an organization as a subject (identified as PBC) that actively conducts CSR programmes (action) for the nation. It is worth noted that how a subject is being positioned within a discourse would largely determines what roles it may play and what power and resources it may draw on (Leitch & Motion 2010, p. 106). The extract begins by giving a special reference to the firm's value proposition as the primary economic driver in the country, which justifies its active involvement in CSR activities. The firm has been entrusted by the government to contribute back to the nation besides making

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⁵⁵ Rakyat (citizen) normally used by the monarch to address the commoners and a common term used in government relations

profit, in view of its nature within the establishment as a government linked company (GLC). As mentioned in Chapter 3, the Malaysian government has greater control and influence over major decisions of a GLC as compared to other types of organization. This suggests that the motivation to pursue CSR among GLCs is not only driven towards enhancing competitiveness, but as part and parcel of their role to develop the nation. Commitment towards social performance implies GLCs' strong support for national policies by virtue of being dependent to government as the major investor and regulator.

Similarly, the second extract demonstrates strong commitment to CSR through mental process in the statement 'We are also proud of our contribution to the growth and development of Malaysia and the 'Rakyat' (citizen)' which represents a sense of pride and honour to be part of the driving force in the national development. Investment on CSR has been largely driven to contribute to the growth and development of Malaysia, rather than towards organization's economic goal. In this context, the notion rakyat (Malaysian citizen) is named as one of the primary stakeholders that signify the act of undertaking CSR is largely for the sake of social good. Traditionally the word rakyat is used by the monarch to address the commoners, which clearly suggests an imbalanced power relations and a hierarchical society in Malaysia (see more details in Chapter 3). Abdullah & Pedersen (2003) have drawn attention to the two main social classes in the early *Malay* society; the ruling class and the subject class; rakyat (p. 91). The two social classes uphold different value systems. The ruling class accentuates power, courage, individualism and adventure, while rakyat promotes the values of cooperation, labour and conformity (Abdullah & Pedersen 2003). The notion rakyat is still commonly used in government relations that strongly connote the power relation;

the government is in power to administer the country and to manage the nation's resources. Nevertheless, it is important to highlight that, as a democratic nation, the Malaysian government is appointed by the *rakyat*. Therefore, power needs to be exercised with great responsibility to the *rakyat*; for example to provide for the common good and to maintain their welfare. However in recent years the government has gradually relinquished some of its responsibility in providing social goods to private entities, primarily to the government linked companies (GLCs). This explains GLCs active participation in CSR initiatives that are related to national development programmes that would benefit the *rakyat* as a whole.

The same repertoire emerged from a presentation transcript by Group Public Affairs personnel in a leading GLC in Malaysia. The following extract suggested the motivation for CSR practice is to maintain the trust in relation to the mandate given by the government to manage the nation's resources:

Manager 10: 'Basically PTX is born to serve the nation PTX is wholly owned by the Malaysian government... Basically, PTX has been invested the trust and control of Petroleum resources in Malaysia and basically we try to add value to this trust and how we manage it must be in a way that will give return back to the nation. As a business, we have the responsibility to contribute to the nation and government, that's our job. And socially, it is also our job to educate and improve the capability development of Malaysian. And we are driven by our own shared values in addition to the commitment of long term and sustainability' (personal communication, August 28, 2009)

The position of business in society has been made clear by the respondent when he stated, *PTX* is born to serve the nation' and 'PTX is wholly owned by the government'. The firm's purpose of establishment in this context explained its high degree of commitment in giving back to the country as illustrated in the following

phrases: 'we try to add value', 'how we manage it must be in a way that will give return back to the nation'. In the following sentence, the respondent described business's commitment to both the nation and the government as a 'job', rather than as an additional commitment to be undertaken after achieving an economic goal. In other words, contributing to the nation is construed as a business obligation, which is equivalent to making profit. Like other GLCs, business is committed to contribute to the nation by virtue of its special relationships with the government as explained in Chapter 3. The government's strong influence in the organization investment decisions has put business in the position where it has to adhere to government's expectations and needs; this includes implementing CSR to support nation building.

On the other hand, the institutionalization of CSR in business has largely influenced its commitment and scale of contribution as illustrated in the following interview extracts:

Manager 15: 'In KLUX, it's unique, as you know it's a stake investment arm of the government so, we are a unique organization in a lot of ways, we're not a normal corporate organization....CR work that KLUX do is a national level corporate responsibility .So, we actually have a unit on its own and it is a very big unit within KLUX because we're not only do CR for KLUX, but we also do CR for the nation in the area of education' (personal communication, November 11, 2009)

The respondent disclosed the distinct nature of her organization as being a major investment arm of the government. This indicates a huge market capitalization of the firm, which is largely acquired by virtue of its closed link with the government. The respondent described the distinctive feature of the company as compared to other businesses through the following phrases: 'it's unique', 'it's a stake investment arm of the government', 'we are unique' and 'we are not a normal corporate organization'.

The respondent also described that the organization's elite status has somehow shaped its role to society which in this context refers to its substantial engagement in CSR. This has been clearly represented through the size of the CSR project engaged by the firm, as explained in the following phrases: 'CR work that KLUX do is a national level corporate responsibility' and 'we're not only do CR for KLUX, but we also do CR for the nation in the area of education'. The huge scale of the CSR programme has implications for corporate resources. In her response, the respondent also justifies business having an independent CSR unit to manage all its CSR work when she states: 'So, we actually have a unit on its own and it is a very big unit within KLUX.' It could be argued here that having an independent unit for CSR is fundamental, as it provides better coordination and resources to manage the initiatives in view of the size of the CSR projects. At the same time, it is important to note that CSR programmes in Malaysia has gone beyond philanthropy or donation but has embraced a more critical need of the nation such as education.

The repertoire *CSR* for the good of the nation largely emerged from key executives messages and interviews with PR and CSR managers working in GLCs. Government linked companies (GLCs) were originally government agencies which were later made private under the privatization policy, which has been explained in Chapter 3 (see details at 3.2.3 PR: Promoting government policies). Amran & Susela (2008) illustrated the role of GLCs and their close connection with the government in the following:

'The GLCs are strategic companies which control nation strategic resources and thus their responsibilities are not just maximize shareholders value but to cover all the necessary government functions in order to maintain strong inner stability.' (p. 399)

In view of a close government-business relationship, GLCs are expected to support all government's policies and decisions to maintain their legitimacy. In this context, GLCs engagement in CSR projects could be construed as largely political. Gaining support from the political elites i.e, the ruling government, is construed as relatively important within a Malaysian environment. In this respect, CSR initiatives have been pursued to meet the government's aspiration, which perceived as benefitting the common good. GLCs' decision to embrace CSR is consistent with the concept of coercive isomorphism, which delineates organizations' tendencies to change as a result of both formal and informal pressure elicited by another organization upon which they are dependent (DiMaggio & Powell 1983). It can be concluded that the social obligation of business does not come naturally, but could have been driven by formal and informal forces, particularly by the power elites within an organization's environment. This analysis suggests that government appears to be a major driver of CSR in Malaysia.

GLCs' support towards CSR has become more apparent and systematic in the early 2000s. This is evident from the implementation of the GLC Transformational (GLCT) programme in 2004, as elaborated in Chapter 3 (see 3.3.3 CSR: Towards competitive business & developed nation). On top of achieving financial stability, GLCs are also expected to create values to society by making investment for national development programmes. GLCT 2007 Interim Progress Review has showcased the massive efforts of GLCs in supporting various national level projects, which are mainly addressed on four dominant themes: human capital, community involvement, environmental protection and employee welfare. For example, in the area of human capital initiatives, a school adoption programme, known as PINTAR (Promoting

Intelligence, Nurturing Talent and Advocating Responsibility) has benefitted 92,500 students throughout Malaysia since it was first launched in December 2006. At the same time, the *GEMS* (Graduate Employability Management Scheme) programme aimed to train 12,000 unemployed graduates by 2011 (GLCT Progress Review 2010, p.13).

This analysis reinforced previous studies that found government influence as a significant driver for CSR, particularly for companies that are dependent on government, or have significant government shareholding (Zain 2004 in Ali et al., 2009; Amran & Susela 2008). Being a strong supporter of the government drives GLCs to engage in mega CSR projects towards nation building. In this context, I argue that there is a dire need to further examine how these CSR initiatives have contributed to achieve Vision 2020 particularly in developing a highly ethical and moral society (see section 3.3.3 CSR: towards competitive business and a developed nation) beside economic progress. Furthermore, it is important to note that large scale CSR projects required a substantial amount of resources to sustain their implementation. This could be the underlying reason for the establishment of CSR departments in some GLCs, a feature which will be further elaborated on in Chapter 7. Additionally, this thesis found that the CSR programmes in Malaysia has gone beyond charitable or philanthropic exercise but to include a more critical areas such as education, human resource development and others. GLCs through their CSR programmes have made substantial investments in these areas. Therefore, to what extent GLCs have been effective in providing social good from the recipients' perspectives could be another area worth exploring.

Another important theme that emerged from the texts depicted personal values of business leader and religious belief as an underlying motivation to purse CSR in the country that will be further explained in the next section.

6.3 Repertoire: Personal values of business's leader and religious belief

This repertoire, while not as evident as the previous two, was drawn on a number of interview transcripts and an executive message. The repertoire takes root in the personal values of business leaders that are attributed to their moral conscience and religious values. The repertoire was first drawn from an interview that illustrated the desire to contribute back to society; a desire which the interviewee claimed is inherent among all human beings, as illustrated in the following dialogue:

Interviewer: In your opinion what motivates companies to pursue CSR?

Manager 12: 'Well, I would imagine the first reason would be sincerity of the giver if you like. Normally it is the CEO himself or herself who after you know being successful in the business most often they feel the need to give back to society and I think this.....tend if you like, will happen to every CEOwhatever race or religion the person is. Because I think is inherence in a human being the need to give back when you're successful........' (personal communication, October 9 2009)

The respondent expressed her personal thought of one's intention of pursuing CSR when she states, '...I would imagine the first reason would be sincerity of the giver....'. The term 'giver' here refers to someone who is actively engaged in CSR or making a social contribution to society. It is assumed that the respondent was making a general statement and thus purposely used the notion 'giver', rather than referring to a specific person. The respondent then presented her view from a business perspective

when she linked the act of pursuing CSR to the CEO, who she claimed was keen to do good upon being successful in business. She explained, 'Normally it is the CEO himself or herself who after you know being successful in the business most often they feel the need to give back to society and I think this......will happen to every CEO'. The respondent is relatively certain about the inclination to give back among business leaders i.e. CEOs. She justifies this act of giving back as being inherently human, which is illustrated in the following phrase: 'Because I think it is inherent in a human being the need to give back when you're successful.'. This data suggests that giving back to others is an intrinsic motivation which is inherent in every human being upon achieving success in life. The data gives supports to Pruzan's (2008) humanist perspective which argued that 'to be responsible is a natural consequence of being human' (p.556).

On the other hand, the religious values are apparent in the next extract which is largely built from the following phrases, 'there is a religious ties to this', 'belief in God', 'people of the Book', 'Friday', 'sent fifty packs to the mosque' as illustrate below:

Manager 12: 'If I may add Zeti, when I say that this need among CEO is inherence in them that if they do well they want to share a little bit of their success and there is a religious ties to this I think,everyone who belief in God especially the people of the Book they know that it is their responsibility. I mean....I remember even like when I was growing up, you talk about in a family my mom was not working but every Friday she would cook rice a piece of meat, cucumber, pickled cucumber, do it herself, wrapped in banana leaf and sent fifty packs to the mosque. Everyday throughout her life. What was her profession? She was a homemaker. Sometimes she did tailoring you know. She may earned small money and yet she had this feeling about giving. I think God has put it in on all of us whether we realize it or not. The need to give back.'(personal communication, October 9 2009)

In this instance, the respondent has made an attempt to link the motivation to do CSR with religion when she explicitly say, 'there is a religious tie to this'. At this point, I have taken into account the respondent's religion to interpret meaning. Fortunately, sharing a similar belief system with the respondent has helped me a lot in this process. The respondent specifically linked the motivation to engage in CSR to those who believe in God, and she identifies them as 'the people of the Book'. Being a believer myself has enabled me to contextualize the notion 'responsibility' that impinges upon believers in the text, despite not much explanation being given to it. In my religion, Islam, responsibility to others is largely shaped by the teaching of the religion; which is mainly derived from the Devine Revelation; Al-Quran and the Hadith (sayings of the Prophet) (Mawdudi 1993, p.25). In Islam all believers are entrusted with responsibility to other members in society, i.e., parents, spouse, neighbors and society at large beside their responsibility to the Creator as embedded in the five pillars of Islam (see Chapter 3).

The respondent then continues to support her argument by making a clear relationship between religion and CSR. In this context, she used the example of her mother to reflect on her personal perspective of CSR, which is largely shaped by her religious belief, culture and experience. I argue that the respondent's native status as *Malay*-Muslim⁵⁶ has a strong influence in this context. This is consistent with a cultural survey conducted by Fontaine, Richardson & Foong (2002) that asserted the *Malays* tend to give greater importance to religion as compared to others ethnic groups in Malaysia. Religious values have been apparent in the following phrases, 'every Friday she would cook rice a piece of meat, cucumber, pickled cucumber, do it herself,

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⁵⁶ A Muslim is a person who embraces the religion of Islam.

wrapped in banana leaf and <u>sent fifty packs to the mosque</u>'. Drawing from an Islamic context, 'Friday' is a sacred day in Islam where believers are strongly encouraged to celebrate the day by doing good deeds to others. Whereas, the latter represents a noble action of 'sadaqah' (giving charity) or giving donation which is repeatedly mentioned in the Holy Book (Al-Quran), for example in Surah Al-Baqarah: Verse 267, God's commands Believers to practice charity,

'O you who believe! spend (benevolently) of the good things that your earn and what We have brought forth for you out of the earth'

In addition, the notion 'mosque' represents a place of gathering for Muslim communites, and is mostly known as a place of worship for the Muslims. Offering food to the mosque serves as an example of being charitable that is a common practice in Muslim communities. Most importantly, this action promotes generosity; sharing one's prosperity with others as a form of showing gratitude to God in order to seek His blessing.

According to the literature, the influence of Islamic religion on the socially responsible business conduct (SRBC) of Islamic businessmen in Netherland revealed that norms and values that are derived from the Islamic religion motivate business managers to contribute more to SRBC, as compared to individually developed norms and values (Graafland, Mazereeuw & Yahia 2006, p.402). Therefore, religion could be assumed as a driver that motivates business leaders to pursue socially responsible conduct; this is worth further exploration. This also suggests that motivation to do good is not solely dependent on material achievement, but also on the sense of self-fulfillment when following the commandment of God. The notion gives support to the spiritual-based perspective suggested by Pruzan (2008) in which the ultimate goal no

longer revolves around wealth creation but as a means of 'enabling and sustaining spiritual fulfillment and service to society' (p.557).

On the contrary, the same respondent identified the personal values of the business leader as another motivation that drives business to be benevolent, as illustrated in the following dialogue:

Interviewer: 'Is CSR a culture of your organization'?

Manager 12: 'No, no, no. I think PBC Group thanks to the founder and his personal values and the culture that he preaches. We've been doing it from the beginning. And it has grown, progressing....'(personal communication, October 9 2009)

In the extract, the respondent strongly opined the organization's founder as the responsible actor who constantly inspired the pursuit of socially responsible behavior in business. In this context, she attributed the founder's personal values and culture as major drivers of CSR. This opinion was made by virtue of her experience of working with the founder for more than a decade. In this context, having a certain level of autonomy, i.e. by being the founder of the firm enables a business leader to deliberately integrate his personal values in business. Schein (1983) acknowledged the relationship between the founders' level of autonomy and relationships to do good when he stated that:

'Because of their willingness to absorb risk and their position as primary stakeholders, founder/owners are in a position to insist on doing things which may not be optimally efficient from a short-run point of view, but which reflect their own values and biases on how to build an effective organization and/or how to maximize the benefits to themselves and their families. Thus founder/owners often start with humanistic and social

concerns that become reflected in organizational structure and process.' (p.25)

Similarly, the moral conscience of a business leader also serves as an apparent motive to socially responsible business conduct that emerged from the executive messages as illustrated beneath:

Report 6: I personally feel obliged to make changes because of the awesome responsibility of knowing my children, grandchildren and great grandchildren will suffer because we did not do anything in our generation to correct our habits (Managing Director of TNC, Sustainability Report 2008)

This text has adopted a personal tone by using the first person pronoun (singular), 'I', in most of the extract. I have assumed that using 'I' in this context tends to give more credit to the key executive. This suggests that the Managing Director himself assumed to be the sole actor who champions responsible business practices, rather than the practices coming from the initiatives of other participants in the organization. This leadership role to embrace CSR could be clearly traced from the following phrase: 'I personally feel obliged to make changes...' which clearly signifies his strong feeling to bring in change upon realizing the adverse implication of irresponsible business and what it could do to others. In this respect, he identified the affected others as his own descendants which he named: 'my children, grandchildren and great grandchildren'. This link somewhat demonstrated his strong empathy towards the issue. The personal reflection is made perhaps by virtue of the Director having a significant stake in the company, and thus strongly felt accountable for any impact elicited by business. Drawing from Kantian perspective, his motivation to pursue socially responsible business practices could be interpreted as largely a moral and benevolent act. On the contrary, the leader's communication changed to a communal tone when he used 'we' and 'our' to address other business participants who engage in irresponsible practice of business. This shows a tendency to share the blame for being irresponsible with other participants beside himself. This is evidenced in the following phrase: '...because we did not do anything in our generation to correct our habits'.

Butterfield et al. (2000) defined moral awareness as 'a person's recognition that his/her potential action could affect the interest, welfare, or expectations of the self or the others in a fashion that may conflict with one or more ethical standards'(cited in Davila Gomez 2008, p.224), which was largely evident in the extract. Therefore, CSR motive driven by a moral awareness could be depicted as a benevolent effort rather than one's egocentric gain. However, making a business decision, including engagement in CSR on the basis of moral conscience, is subject to dispute among scholars (see Waldman & Siegel 2008). As an economist, Siegel (2008 in Waldman & Siegel 2008) viewed engagement in CSR as an investment decision which he coined as a 'strategic choice' made by responsible leaders which should be based on a rational, calculative fashion rather than purely one's moral conscience. Whereas Waldman (2008 in Waldman & Siegel 2008) argued that managers should be given some allowance to be intuitive and work from their own values and morality in pursuing socially responsible endeavours (p.129).

In the next extract, religion as a motive to pursue CSR has also emerged from the same text:

Report 6: 'I have always felt that we have a personal responsibility to get involved where possible, especially since we have received a bounty of God's blessing over the years, and observing how we were fortunate to have

prospered from a small construction company to an infrastructure conglomerate with reach across the globe. Hence, at TNC, I trust that we continue to do our part in running the good race by continuing to adopt sustainable practices and corporate responsibility in all that we do' (Managing Director of TNC, Sustainability Report 2008)

In this text the executive strongly feels that everybody in the entire organization is accountable to enact socially responsible conduct for the sake of showing gratitude to God. Strong modality is being used constantly in his expression i.e.: 'I have always felt' and 'we have a personal responsibility' that showed his strong commitment to enact socially responsible business conduct. At the same time, the phrase 'we have received a bounty of God's blessing over the year' represents a sense of gratitude to God. On the other hand, the extract also provides a strong assurance to embrace socially responsible business on behalf of the entire organization through a direct and forceful statement, 'Hence, at TNC, I trust that we continue to do our part in running the good race by continuing to adopt sustainable practices and corporate responsibility in all that we do'. Such dedication to responsible practices could be attributed to his position as one of the top executives in the company. This gives support to the argument espoused by scholars that responsible action could be largely dependent on the amount of autonomy associated with the individual role in the organization (Hemingway & Maclagan 2004).

On this note it is important to highlight that the top executive has a central role in creating the social structure of shared values in the organization (Selznik 1957 in Hood 2003, p.264). This analysis suggests that socially responsible practices that are driven by moral awareness are neither egocentric nor bad for business. Sully de Luque et al. (2006), in congruence, suggested that managers who place an emphasis on balancing multiple stakeholders' needs in their decision making have a higher

likelihood of achieving favorable financial outcomes (in Waldman & Siegel 2008, p.129).

The finding suggests that personal values to do good are often intertwined with religious influences. This was evident in both interview transcripts and in CSR reports. The result is attuned with previous research that affirmed the motivation to do good among Malaysian managers is guided by their social, tradition, cultural and religious beliefs (Selvarajah & Meyer 2008).

On the other hand, low ethical standard among business leaders serves as a contributing factor to CSR initiatives that were purely self-centered and immoral, as highlighted in the following extract:

Academic 2: '....They'll go in there only because the ultimate gain is to be recognized among their peers or perhaps differentiation above the others in the industry or perhaps at the global basis and for others of course, I would say, the ego hunters among the drivers in the corporations. They probably get their Tan Sri ships or CEO's recognition as a result of that (personal communication, July 28 2009)

The respondent claims that one of the leading factors that drive managers to embrace CSR is to obtain recognition from their peers, or to remain distinctive from others. This claim represents the manager was inspired to undertake CSR to achieve his or her self-centred goal, which is largely driven by his/her own ego. The respondent uses the notion 'ego hunter' to represent corporate leaders who are keen to look for recognition upon making their contribution to society. These type of managers could be aiming for titles such as Datuk⁵⁷ and Dato' Sri⁵⁸, Tan Sriship that bestowed by the

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⁵⁷ A federal title conferred to deserving citizen by the by the head of the state (Perpustakaan Negara Malaysia 2003).

monarch to recognize one's contribution in society. Such a strong claim has been made by the respondent on the basis of her vast experience in PR consultancy work, and as an educator and a former Vice President of IPRM⁵⁹ for many years.

A strong drive towards achieving recognition in society could be inherently cultural. Mansor & Kennedy (2000) affirmed that, within Malaysian culture, status differences between individuals were clearly recognized and acknowledged. The hierarchy system is a prevalent value held by Malaysian society that is attributed to their high power distance culture, as elaborated in sub-section 3.1.1 Social and cultural landscape. By the same token, people who earned titles i.e. Datuk and Dato' Sri, to name a few, are highly respected in society (see Abdullah & Pedersen 2003). Therefore, hunting for these titles could be a motivating factor for certain people as they bestow their benevolence. This has implication to the recipients of CSR in view of very little attempt being made to identify their actual needs and issues as the underlying motivation is to meet personal interest rather than solving societal problem. In this case, strategic attempts would mostly dedicate to generating publicity through events launching by having ministers to inaugurate the CSR initiatives. In Malaysia ministerial attendance almost always generate media publicity (Idid 2004, p. 229). This thesis argues that, high ethical standard is imperative to ensure CSR initiatives are genuine attempts to improve society rather than a personal gain.

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⁵⁸ The highest state title conferred by the ruler to the most deserving recipient who has contributed greatly to the nation or the state (Perpustakaan Negara Malaysia 2003).

Figure 1 PRM stands for Institute of Public Relations Malaysia.

6.4 Conclusion

This analysis suggests organizations in Malaysia have mix-motivations in pursuing CSR. Nevertheless, the motivation to pursue CSR for a business case is ubiquitous in the executive messages drawn from CSR reports and interview transcripts. In other words, the dominant motivation to do good among businesses in Malaysia is primarily to seize greater economic advantage. This gives support to the finding in Chapter 5 that largely conceptualized CSR as a strategic tool used by business to increase wealth and subsequently maintain its long term survival.

This analysis also suggests that organizations that are strongly influenced by the government i.e., dependent on government, or having government as a major shareholder such as GLCs, are largely motivated to do CSR for the nation. This is largely in view of a special bond that inherent in the relationships between GLCs and the government. In this context, I argue that there is a dire need to further examine how these CSR initiatives have contributed to the achievement of Vision 2020 particularly in developing a highly ethical and moral society. At the same time, to what extent GLCs have been effective in providing social good from the recipients' perspectives could be another area worth exploring in view of their substantial involvement in CSR in the country.

Finally, the analysis also reveals the moral conscience of business leaders, and the religious values emerged, as other underlying motives to pursue CSR in the country. These values are construed to be relatively intrinsic and genuine, and free

from external pressure i.e. to maximize profit, or to comply with regulatory requirements. This thesis argues that CSR motivated by personal values and religious dimensions may elicit a different impact on society as compared to other motives that appear superficial and self-serving. The former motives could give better consideration to the needs of others, and subsequently bring a greater impact on the cause they intend to help, such as creating sustainable living for the underprivileged groups, improving society and the environment at large thus worth further research.

CHAPTER 7: PR ROLES IN CSR

The literature review has affirmed that PR practice is largely determined by the socio-political and economic context of a country. Drawing from Malaysian experience, this thesis argued that PR's role and strategy has gradually changed to suit a particular context and need mainly to the advantage of the elites (see Chapter 3). This chapter focuses on PR role in spearheading the CSR function that mainly derived from interview transcripts. The analysis focuses on dominant themes that emerged from respondents' accounts. Besides, it also analyses atypical theme or competing theme that transpired in the text to offer alternative explanation (see 4.7 Analytical Process). I also take into consideration respondents' social roles, immediate social context, knowledge, culture, experiences and other values that shaped their response during the interview thus affect meaning. Careful analysis across texts has found two dominant roles of PR in CSR that includes *promoting CSR for a competitive business* repertoire and an advisory role repertoire.

This analysis begins by examining the first repertoire; *PR role to promote CSR* for a competitive business. It continues to discuss a competing role that emerged in the texts that challenged the idea of promoting CSR to stakeholders that inherently cultural. The chapter then examines the second repertoire that represents PR assuming an advisory role in CSR that was found to be relatively dominant in the texts. The chapter also addresses on atypical theme that emerges in the texts that constructs the PR role as a mouthpiece. Subsequently, the chapter examines the constraints and challenges encountered by PR in the pursuit of CSR practices.

7.1 Repertoire: Promoting CSR for a competitive business

In terms of PR role in CSR, there was a shared agreement by informants that their core practice is to promote CSR initiatives. Recurrent key words found in the texts to represent this role include 'highlight', 'tell', 'talk', 'sell', 'promote', 'make it big', 'communicate', 'to popularize' and 'spin'. These clusters of terms are used to describe PR role in promoting CSR practices by different practitioners. For example, Manager 7 used these terms to explain his task in pursuing CSR as illustrated in the following extract:

Manager 7: 'Public relation is about communication. So when you talk about CSR, yes, public relations we will highlight, we will talk about issues, we will talk about this, we highlight, we tell the community about this. We tell the CSR story! PUTRA CSR story....That is what PR does...' (personal communication, August 21 2009)

In the text the respondent has strongly signified the role of PR to promote CSR practices through the following phrases, 'we will highlight' and 'we will talk'. The respondent has enunciated this role based on his current involvement and experience of CSR. Furthermore, the clauses 'we tell this to the community' and 'we tell the CSR story' again represents PR position to communicate CSR to external publics. In this context, a promotional repertoire is used to accentuate PR's commitment in promoting CSR messages, with the aim of informing business's stakeholders, i.e., the community.

Furthermore, it is worth highlighting that the respondent's enthusiasm to promote CSR stories was also evident during the interview. As the interviewer, I found the respondent was exceptionally passionate about the subject. The respondent took

every opportunity to explain various CSR programs initiated by his firms. In one instance, the respondent reiterated his role in promoting CSR by stressing on the underlying meaning of this function. He stated:

Manager 7: "...so similarly PR is basically communicating, that's why I said communicating, communication, sharing knowledge. Sharing knowledge with you about my role in CSR. I'm actually selling the story..." (personal communication, August 21 2009)

In this context, the *promotional repertoire* is again apparent through the recurrent notions of 'communicating', 'sharing', and 'selling.' The first two key words explain the act of information exchange which provides others with information. Nonetheless, the notion of 'selling' tends to depict an activity exchange which focuses on obtaining a pre-determined outcome (Fairclough 2003). It could be construed here that PR strategically deployed CSR discourse that would generate positive impact to the organization such as to generate favourable media coverage or to build reputation. In this context, promoting CSR practice to further the organization's mission is interpreted as one of the core-functions performed by the respondent.

A similar pattern is observed in the following extract where several *promotional* markers are found to represent the act of promoting CSR initiatives:

Manager 8: '....PR is the one who suppose to take the opportunity to make it big! to let the general public know. So it's more on communication. PR communicates through whatever CSR project within to...of course to popularize and to also prepare some kind of reports towards the public consumption. That's PR area.' (personal communication, August 21 2009)

The respondent begins by showing PR's obligation to communicate through the phrase 'PR is the one who suppose to take the opportunity to make it big!. Unlike the

previous extract, different modes of communication have emerged to represent a more vigorous and persuasive intent to promote CSR practice. The act of promoting CSR appears to upbeat i.e. 'to make it big' and 'to popularize' all of which are primarily framed to draw public attention to CSR initiatives in order to accomplish a specific goal. This shows PR is in the position to capitalize on CSR effort to create greater awareness to a wider audience on behalf of the organization. On the other hand, the phrase 'to report' is similar to the key words used in the first extract such as, 'to tell', 'to talk' and 'to share' that focus on transmitting the information to inform the public. This latter mode of communication is akin to Grunig's (1992) public information model in which the central objective is to inform the organization's stakeholders about CSR initiatives, but not necessarily with a persuasive intent. This suggests PR deployed a different communications dynamic in reaching the organizational stakeholders. I argue here that the role of PR is predominantly constructed to create greater awareness towards organizational responsible practices that would largely benefitted business.

By the same token, creating an awareness of CSR activities to pursue business' interests have received increased attention in literature. Recent studies have revealed that stakeholders' low awareness of a company's CSR activities serves as a key stumbling block in the company's quest to reap strategic benefits (Bhattacharya et al. 2008; Du et al. 2007; Sen et al. 2006 in Du, Bhattacharya & Sen 2010). Nonetheless, scholars affirmed that stakeholders would treat an aggressive attempt to promote CSR initiatives with skepticism. In this context, it is important to ensure CSR initiatives involve substantive change that conform to constituents need and expectation rather than just a mere symbolic attempt to manage publics' perception (see Ashforth & Gibbs 1990).

This thesis suggests that the role of promoting CSR remains one-way; as much emphasis has been made to provide information to the public about organization's essence i.e., the firm's responsible actions rather than communicating stakeholders' need to the organization. Such practice would generate asymmetrical results that would maximize benefit to the firm rather than to others. This corresponds to the critical view that PR works in the interest of those who pay for it (Motion & Leitch 1996; Berger 2005; Motion & Weaver 2005; Edwards 2011) rather than to other stakeholders.

Furthermore, unlike other extracts, the following excerpt draws attention to the implication of not involving PR in CSR initiatives:

Interviewer: 'How do you see CSR without PR involvement?'

Manager 6: 'I suppose you can do it but it will not be,...you'll be the unsung hero so to speak! You do a good deed and you hope the third party will talk about it' (personal communication, August 20 2009)

The respondent claims CSR could be implemented without PR, but with some reservation when she says, 'I suppose you can do it...'. In the meantime, the respondent asserted that those who pursue CSR without a PR component will be the 'unsung heroes' that are unlikely to get recognition they deserve. In this context, the 'unsung heroes' will have to depend on a third party to applaud their good deed. In other words, a firm's active involvement in CSR will remain unknown. On the other hand, the same respondent has identified another possible consequence of not making CSR explicit to others, as exemplified in the following extract:

Manager 6: 'When you have the PR arm then,...if you look at this as a good message you can send out. This is how we can do spin on it perhaps. This is the main message

you want to send out. So while we are doing the noble thing, at the same time we want to sing_about it so that others know that we are doing good deeds. Otherwise they are saying that 'DELUXE just collect the toll but they didn't give back.' (personal communication, August 20 2009)

In this regard, respondent expressed a strong confidence in PR's ability to communicate CSR information through phrases such as 'you can send out', and 'we can do spin'. Nonetheless, the word 'spin' here could bring a negative connotation as it is generally thought of as manipulative or deceptive communication (Miller & Dinan 2008, p.2). Alternatively, in this context the notion 'spin' is assumed to imply PR's function as a communication architect, who is responsible for selecting and designing a CSR message to capitalize impact rather than representing an unethical communication practice. Such assumptions are made on the basis of the respondent's sound academic and professional background in PR, which should make her more alert about PR's ethical issues. In the meantime, the sentence 'we want to sing about it so that others know that we are doing good deeds' suggests a strong commitment to make their CSR initiatives well known to others. In this context, the respondent advocates the idea of making CSR initiatives explicit to avoid business being viewed as selfish or only keen to make money, without any attempt to give back to society. She illustrates this in the following phrase: 'Otherwise they are saying that DELUXE just collect the toll but they didn't give anything back'. The term 'they' used in the extract represent the public or organizational stakeholders who would most likely make such an accusation.

In these extracts *PR role to promote CSR repertoire* has been used to acknowledge the importance of making good deeds explicit in order to secure public recognition that would largely benefit business. At the same time, the function of PR in

promoting CSR is to make responsible practices more explicit and thus helped to ward off any negative perception of the publics towards the company. In other words, by making a contribution to society apparent would avoid the public from having a distorted view of business. This is consistent with Carroll (1981) when he affirmed that:

The lack of specific effort to communicate, therefore, leaves the company at the mercy of the public's perception of its activities....passivity can lead to a distorted view of the organization.' (p.390)

In several instances, a *promotional repertoire* has been constructed as an attempt to build a desirable corporate image as illustrated in the following extracts:

Manager 5: 'To me after all the hard work you have done in CSR,...I want to project and tell the whole world that we have this CSR but not to brag, there is a difference! But to tell that we are responsible,...we are creating this pool of skilled labour and we are actually helping the community college.' (personal communication, August 19, 2009).

Manager 7: '...using PR I promote this CSR to obtain a desired positioning for the company.' (personal communication, August 21, 2009)

Phrases such as 'to project' and 'tell the whole world', represent the respondents' strong commitment to widely promoting CSR practices to the public at large. At this juncture, the respondent assertively detached the intention of promoting good deeds from boasting, '...we have this CSR but not to brag! There is a difference!'. This suggests that the PR practitioner is largely aware that promoting good deeds including CSR could be easily misconstrued as showing off thus, inviting public skepticism. In Chapter 2 it has been mentioned that skeptical publics are less likely to respond positively to CSR activities (see Mohr et al. 1998 in Bronn and Vrioni 2001). The respondent later accentuates the intention of doing good deeds through the phrase 'to tell we are responsible' and 'we are actually helping'. These phrases helped to

underscore the noble intention of business to meet the needs of others rather than pursuing it self-interest.

Similarly, in the latter extract the respondent explained his role in promoting CSR to secure a desirable corporate image. This is made evident by the respondent's when he says: '...using PR I promote this CSR to obtain a desired positioning for the company'. The respondent strongly illustrates his role in taking full advantage of CSR to acquire a desirable image for his firm. This practice is a clear example of how PR used CSR as a tool to enhance reputation (see L'Etang 1996, 2006). As mentioned in Chapter 2, scholars concurred that CSR has becoming a significant element that contribute to a positive reputation (see Lewis 2003; Fombrun 2005) and stressed the importance of communicating CSR in building a distinctive corporate reputation (see Maignan & Ferrell 2004). L'Etang (2008) asserted, 'reputations are formed through an individual's or organization's actions and words, and the relationships and experiences that others have of that individual or organization' (p.50). In this case, promoting responsible practices of business is part and parcel of building a reputation. In Chapter 4, this thesis argued that PR is a discourse technologist who substantially involved in the production of texts and would normally work to privilege the interest of its employer (Motion & Leitch 1996). This thesis argues that PR is in the position to strategically deploy CSR discourse to construct a favorable image for the firm. However, PR's power to create and control information must be accompanied with ethical considerations, which includes providing balanced and accurate information that would assist stakeholders to make informed decisions. A critical view has exhorted some ethical problems with regard to communicating the truth and withholding the truth. L'Etang (2003) exhorted that 'withholding information clearly infringes the

public interest and makes it obvious that the ethics of PR are to a large degree governed by its paymaster' (p.65). Furthermore, L'Etang (1996, 2006) also argued that using CSR for PR ends is immoral as it gave less respect and autonomy to the beneficiaries. She also raised concern over the imbalanced benefits that accrued to both organization and the recipients from this activity. In a similar vein, this thesis argues that using CSR as a PR tool has an effect to CSR beneficiaries as less attention would be given to address their actual needs as much planning would be devoted to generate publicity to enhance image.

Furthermore, PR practitioners also constructed their role in promoting CSR as strategic. Drawing from the functional perspective, PR served as a strategic resource that helps an organization to achieve mutual interests (Grunig & Hunt 1984; Grunig 1992) and that includes its role in CSR.

The next extracts illustrated how PR constructed their role as strategic:

Interviewer: 'What about designing the CSR programme itself. Do you have a strategic role there?'

Manager 6: 'Yes! Definitely!.. If you just do it without any purpose, just do it for the good of the community for instance, how can you make a positive outcome of it?. Because... just you and the community for instance. But people don't know that you are doing a good thing. Then, how are potential investors going to be confident about your company?' So that's why we have come up with our CSR report.' (personal communication, August 20 2009)

Manager 5: 'We are a strategic department you know...because what people don't see.....when let's say a simple thing, preparing a speech for that matter, to them, to the non-Corporate Communication person its very easy...prepare...speech. But when you prepare a speech...coming from me. I do not know about the rest of

other Communication person. I will inject strategic messages. Whether it's for our Family Day, or whether it's for our Corporate events, I will inject strategic messages to be picked up by the media or to make them realize that we are serious in what we are doing.' (personal communication, August 19 2009)

In the first extract, the respondent confirmed having a strategic role in CSR at the beginning of her response. In her statement, the respondent argues that making CSR activities known to others is imperative to produce a positive business outcome. She states this clearly in the following phrase, 'But people don't know that you are doing a good thing. Then, how are potential investors going to be confident about your company? The respondent in this context places very little confidence in gaining any advantages from CSR initiatives without making it known to the strategic public i.e. the investors. This text suggest PR's role in promoting CSR repertoire as mainly strategic as it maximizes value to business, particularly in generating confidence among investor and subsequently attract more investments. In other words, PR assumed a strategic role when it generates a desirable impact to business.

Likewise, the notion 'strategic' in the second extract has been predominantly used to emphasize that PR works to the benefit of a business. In her account, the respondent assumed that PR ability to bring impact to business and that includes generating media coverage as strategic. In this regard, PR should make more attempts to evaluate these strategic actions to demonstrate their value to management. However, it is worth to highlight these strategic actions seldom include PR contribution to society or to other non-financial stakeholders. In most extracts, PR's role in promoting CSR has neither addressed the need of other stakeholders nor helped to provide a sustainable value to society.

Likewise, at the macro level, CSR is commonly constructed as a business component that helps firms to remain competitive in the business sphere. In Malaysia increased attention to CSR activities gained momentum when CSR reporting was made mandatory for publically listed companies (PLCs), effective from financial year 2007 (Badawi, 2006), as explained in Chapter 3. Reporting CSR practices has served as an indirect approach to inculcate socially responsible behavior among businesses. More importantly, responsible business practice is perceived significant in attracting international investors and landing major business contracts. Subsequent to this requirement, several agencies have come forward to give recognition to organizations that have constantly undertaken CSR initiatives i.e. the Prime Minister Award, Star-Biz CSR Awards, and ACCA Reporting CSR Awards just to name a few. These recognitions among others create a competitive phenomenon among businesses and subsequently inspire corporations to disclose their social performance. The media has also assumed an active role in creating awareness and promoting CSR values to the publics in Malaysia. The media's role in championing CSR practice in the country was highlighted by the Chairman of Securities Commission Malaysia when she stated that:

'The media also has a vital role to play by highlighting companies that have performed irresponsibly and praise those that performed well. Working together with NGOs, the media can make irresponsible companies understand the consequences of their bad behavior with the glare of adverse publicity.'(StarBiz, January 26, 2008, p. 12)

Attention and exposure to CSR practices has often been linked business to success. In this regard, corporations strive to promote their socially responsible practices to create their competitive edge. I argue here that PR's role in promoting CSR practices has been partly shaped by the indirect pressure and expectations imposed by

the CSR champions in the country i.e. government and other CSR enforcement agencies. In this case, PR strategies including CSR would be initiated to meet the interests and expectations of these dominant groups over the interests of others.

In this respect, PR's *role in promoting CSR* is found to be largely directed to the advantage of business rather than promoting the interests of society. This thesis has observed that most PR respondents rarely addressed how their role in promoting CSR helps to address the actual needs of society or other non-financial stakeholders. In this regard, the proposition, from the dominant view, that PR fosters a mutual interest of both the organization and the public through CSR could be largely contested (see Grunig 1992).

7.2 Repertoire: CSR as cultural practice

Ironically, PR's role in promoting CSR to create a competitive edge for the organization was not fully embraced by all respondents. A competing repertoire emerged from the texts depicting disapproval towards the idea of promoting CSR practices to the public that inherently cultural. In the next interview text the respondent affirms that lack of efforts to communicate CSR could be linked to cultural values. In the first example, the respondent argues that communicating CSR should not appear as the reason to pursue CSR. She equated the act of promoting CSR practices to others as 'hitting the gong' (Malay's proverb). Drawing from the Malay's cultural perspective, the phrase 'Hitting the gong' represents a deliberate action of communicating favourably about oneself for the sake of obtaining desirable recognition. In this case, the underlying intention to do good is most likely perceived as less genuine. This has

implications for one's standard of morality. The following extract illustrates a strong disapproval towards engaging CSR for communication purposes:

Manager 15: '..... because the communication is just like what we say 'pukul gendang' (hitting the gong), which should not be the right reason for any companies to engage in CSR.' (personal communication, November 11 2009)

Chapter 3 of this thesis has elaborated on the dimensions of cultural values that have shaped Malaysian behavior, including communication (see details at 3.1.1 Social and cultural landscape). The values of feminism are more apparent in Malaysian society that has largely influenced society's behavior into being moderate, humble, low-keyed, deferential, self-effacing and compromising, in terms of mannerisms and verbal communication (Abdullah & Pedersen 2003). Therefore, promoting one's good deed is not aligned with Malaysian culture. In this context the choice not to promote one's good deeds could be inherently cultural. The influence of cultural values in communicating social performance is also apparent in the following excerpt:

Manager 11: 'We don't have to promote too much because we're not desperate.....I mean we don't want to be too aggressive about it. People will know eventually. And we take a very humble and modest stance.' (personal communication, September 3 2009)

CSR as a cultural practice repertoire emerges from the following key words, 'humble' and 'modest'. The respondent strongly distances the necessity to promote CSR in her business approach when she says, 'We don't have to promote too much because we're not desperate'. This shows business's less reliance on publicity that could be attributed to its well established position in the country. At the same time, the phrases 'very humble' and 'modest' could be construed as cultural factors that have

shaped the business approach to CSR. Being humble may thwart competitiveness thus may not be a competent business trait from a Western perspective. However, humble and modest in communications represents politeness and more appropriate within a Malaysian context. Talking out loud about one's good deeds is viewed as arrogant and less genuine and would subsequently yield an unfavorable corporate image within the culture.

It has been construed that the choice to be less assertive in communicating CSR is inherently cultural. Drawing from this contention it has been observed that organizations in Malaysia have been accustomed to talk less about CSR that supports the low profile tradition hold by Malaysian as illustrated in the next extract:

Manager 1: 'All this while we are doing a lot of CSR but we are quite a different organization, whereby we do CSR but we don't like to publicize our CSR. The management at that particular time decided to...you know...they more towards the *Malay's* culture...they like to do but they don't like to tell...but they (the management) like people to know by themselves...through whatever means...'(personal communication, July 15 2009)

The respondent demonstrates resistance towards promoting socially responsible acts to the public. In this context, such resistance is associated with cultural factors, particularly when the respondent enunciates the relationship between the *Malay*⁶⁰'s culture and low key communication behavior; '... they more towards the *Malay culture...they like to do but they don't like to tell...*'. The respondent identifies that the *Malays* are not keen to promote their good deeds to others thus, appear more low profile. The respondent makes this claim on the basis of his *Malay* native status, and having to work in the *Malay* dominated company for more than fifteen years. Abdullah

⁶⁰ In the Malaysian Constitution Malays are those who profess the Muslim religion, habitually speak the Malay language and conform to Malay custom. They have a privileged position in Malaysian society and their position is guaranteed by the Constitution. They are recognized as *Bumiputra*, sons of the soil (in Selvarajah & Meyer, 2008, p.700).

(1992), in her study suggested *Malay* managers would face difficulty in being assertive and projecting their image, because of their values of modesty and politeness. Lim (1998 in Fontaine, Richardson & Foong 2002) argued that *Malay* managers are low in masculinity and keen to embrace qualities such as modesty, humility, and benevolence (see Hofstede 1980). This analysis suggests that *Malay* dominated companies are less comfortable promoting CSR.

In addition, this cultural element could also largely be influenced by the *Malays'* religion; *Islam* which is also the official religion in Malaysia. A cultural survey conducted in 2001 (Fontaine et al, 2001 in Fontaine, Richardson & Foong 2002) revealed religion as one of the most important values for the *Malays* as compared to other races. Abdullah (1992) proposed a similar argument when she identified religion as one of the strong values held by the *Malay* ethnic group. It is important to highlight that *Islam* encourages believers to do good deeds for the sake of obtaining a blessing from God, and not for any other material gains i.e. personal recognition or fame. Drawing from an Islamic perspective, communicating too much about one's good deeds is strongly discouraged for the fear of being boastful. Islam is a religion that is based on sincerity, purity, humility and realism; it abhors haughtiness, arrogance, conceit and deception (Hashimi 2003, p. 416). Therefore, being less assertive in communicating CSR could be attributed to cultural and religious influences that worth further exploration.

Communicating CSR is a complex and contestable practice. According to Du, Bhattacharya & Sen (2010), one of the key challenges is to minimize stakeholder skepticism upon receiving CSR messages. They strongly proposed managers to have a

deep understanding of key issues related to CSR communication to enhance effectiveness. However, cultural factor was not included as one of the key issues in their framework. This thesis strongly suggests the influence of cultural and religious values in communicating CSR practices worth further exploration.

Nonetheless, unlike a decade ago, more attempts have been made by Malaysian firms to communicate their CSR efforts, particularly since the call made by the government for CSR disclosure. Communicating CSR was set in motion when public listed companies (PLCs) started to publish CSR reports in compliance with the soft regulations imposed by Bursa Malaysia (see details in Chapter 3). This could be a reason for PR practitioners' enthusiasm in promoting CSR, which largely aimed to meet this new ruling beside to accomplish other business goals i.e., image building and to attract investment, as reflected in this thesis. In the interim, cultural and religious dimensions constantly appear to resist the temptation to promote CSR. On this note, I strongly argue that communicating CSR is indeed a delicate task that requires appropriate balances to avoid any counterproductive results. This thesis suggests that PR practitioners should take into account cultural and religious dimensions in managing CSR communications.

7.3 Repertoire: Advisory role

Alternatively, another dominant pattern found in the texts suggests that PR assumed an advisory role in CSR related initiatives. An *advisory repertoire* has emerged particularly when PR is not in the position to spearhead the CSR initiatives in the organization. Key phrases such as 'giving approval', 'monitored', 'approved by

PR' and 'PR to advise' suggests PR has a certain level of expertise and power to enact CSR. As mentioned in Chapter 2, PR practitioners obtain power in view of their access to scarce resources, and close networks with any given organization's management (see Lauzen & Dozier 1992). These scarce resources include communication skills and information obtained from environmental scanning that makes the role of PR indispensable. In this context, PR professionals have a level of expertise that could hardly be substituted by others. An advisory role repertoire represents a PR professional as an expert whose skills could hardly be substituted by others. Pieczka (2006) defined PR expertise as 'a body of practical knowledge that makes it possible for PR practice to exist' (p.280). In this respect, it refers to what a practitioner does or the task and techniques shared by those who are pursuing PR as an occupation (Pieczka 2006, p. 280).

PR role as advisor to CSR practice has emerged from the interviews conducted with both PR and CSR managers. The following extracts illustrated how PR's role as a CSR advisor is being constructed:

Interviewer: 'What is the main role of PR in CSR'?

Manager 1: 'Everything is handled by the CSR department now. Our department is just on the approval side, when CSR want to do launching we have to make sure that the event is in line with our image and identity. For example, like when a minister wants to launch..the gimmick that the minister has to do has to be portrayed as intelligent, and not a simple thing!' (personal communication, July 15 2009)

The Corporate Communication manager in the first extract acknowledges that the PR department is no longer spearheading the CSR initiatives of the firm. However, he identifies that PR assumes a significant role in pursuing CSR practice. The respondent recognizes PR as the responsible person who grants approval for CSR events when he asserts 'our department deals with the approval side'. The notion 'approval' in this context suggests PR has the power to authorize the implementation of CSR related event. In this context, PR consent is largely sought prior to organizing a CSR programme, particularly in terms of a business's image and identity. This is evident when the respondent strongly asserts PR commitment to making sure every aspect of a CSR event portrays the intended image of the business.

The same respondent accentuates the important function of PR in advising CSR events in terms of firm's image as illustrated in the next extract:

Interviewer: 'What will happen to CSR programs without the input from Corporate Communications'?

Manager 1: 'Perhaps when they do programs they won't look into the image or identity. When we do things being the *pemegang mohor* (the keeper of the ruler's seal)....by looking into image and identity, our role is very significant' (personal communication, July 15 2009)

In responding to PR's function in CSR, the respondent claims that the image of a business and its identity would be very much overlooked in the absence of PR. The negative *phrase 'they won't look into image and identity'* depicts CSR personnel as not paying attention to image and identity while pursuing a CSR project. The respondent identifies the role of PR as equivalent to the *pemegang*⁶¹ *mohor*⁶² or literally translated as 'the keeper of the ruler's seal' (Pejabat Penyimpan Mohor Besar Raja-Raja Malaysia 2010). Drawing from the traditional monarchy system in Malaysia *pemegang mohor* (the keeper of the ruler's seal) was one of the highest positions in the government

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⁶¹ Pemegang literally refers to someone who is entrusted with power to keep and uphold a certain duty (Pusat Rujukan Persuratan Melayu 2008)

⁶² Mohor literally refers to a seal (of government or monarch) (Pusat Rujukan Persuratan Melayu 2008)

office, someone who was entrusted to perform a specific duty by virtue of assigned power by the highest authority. *Pemegang mohor* acts as the Secretary to the King's Council who is responsible for administering meetings, besides keeping the ruler's seal (Pejabat Penyimpan Mohor Besar Raja-Raja Malaysia 2010). PR in this context, is by virtue of the trust endowed by management serves as the guardian of corporate image.

This trust is clearly elaborated by the same respondent in the following extract:

Interviewer: 'Corporate Communication is no longer heading the CSR program. Do you see any flaws in the CSR program since the input of PR is no longer included'?

Manager 1:'Not to say no input at all. But [aaa...]...although the CSR department is separate from the Corporate Communication department we still have some say in any event done by them. Because our President/CEO always insists that all programs must be approved by Corporate Communication,...whatever content of the program must have some input from Corporate Communication and we are called for many meetings.our role is still there although we are no longer the master mind for CSR programs. Our inputs are needed.' (personal communication, July 15 2009)

The respondent affirmed that PR is still involved in making decisions in CSR related initiatives despite no longer heading the initiatives. This involvement is by virtue of trust assigned by the top management. In this context the clause 'CEO always insist that all programmes must be approved by Corporate Communication' demonstrates that PR is in the position to endorse CSR activities as requested by the top management. The power to grant approval to CSR initiatives implies the attribution of power granted to PR to decide on CSR related issues. This could be due to PR vast experience in spearheading CSR prior to the establishment of CSR department in the organization. At the same time, this also gives support to the argument that PR

practitioners could become powerful due to their networks and contact with those of authority (Robbins 1987 in Lauzen & Dozier 1992, p. 207). In addition, the extract illustrates the imperative involvement of PR in CSR programmes. The phrases 'whatever the content of the programme we must have input from Corporate Communication', 'we are called for many meetings', and 'our input is needed' that largely suggests PR's involvement in developing CSR initiatives is deemed significant.

PR's advisory role in CSR has also received recognition from CSR managers who are currently spearheading CSR departments in organizations. In the following account, the Vice President of CSR acknowledges PR's role in advising CSR activities, as illustrated in the following dialogue:

Interviewer: 'So when you plan for your CSR activity does the PR department also contribute to your meeting or to your decision making?'

Manager 4: 'Yes! Yes.! Especially with the ceremonial activities. We need these people to be part of the team and to advise us on the running of the activities, and running the project. They need to be around!' (personal communication, August 5 2009)

Despite his role in spearheading CSR for the firm, the respondent still identifies PR advice as necessary, particularly when involving CSR related functions. Strong recognition of PR's involvement in CSR is illustrated by the following phrases: 'we need these people to be part of the team and to advise us..', and 'they need to be around'. In this context, PR's involvement is viewed as indispensable in ensuring the success of CSR events. This analysis suggests PR skills in managing events, particularly when involving the public, cannot be substituted. This gives more power to

PR as other departments are not capable of providing the same skills and advices. This may decrease PR's substitutability (see Lauzen & Dozier 1992).

Likewise, an interview with CSR Head of Department from a different organization shows a strong reliance on PR's expertise particularly in the realm of communication, as illustrated in the next extract:

Interviewer: 'But the CSR program is coming from the Corporate Communication or CSR Department?'

Manager 3:'Both, they would like to know what we can do,..we need their help to communicate. They can suggest to us what the public need. They know the community and what they want, our part will be on technical implementation or execution... So, they will advise us on how we should go about with the media. Here, we also need to do it on our part, what information we can offer to them.'(personal communication, July 27 2009)

In this extract, the CSR department's heavy reliance on PR skills is illustrated by the following phrases, 'we need their help to communicate', 'they will advise us on how we should proceed with the media'. This also suggests that the CSR department does not have the 'know-how' or skills to communicate with the public, including the media. Additionally, the respondent also acknowledges PR's strong ties with the community when she says, 'They can suggest to us what the public need', and 'They know the community and what they want'. These phrases demonstrate a strong recognition of PR's knowledge of community relations and PR's ability to identify the actual need of the community.

Likewise, a Vice President of External Communications from another firm also identifies the role of PR as central in providing advice, particularly in the field of communications. This is illustrated in the following dialogue:

Interviewer: 'Looking at the structure of CR and how your division comes in, in what way does the Communication Department contribute to CR in KLUX?'

Manager 15: 'Ok. When communication is involved,..let say if they require us to do some external communication, we'll work together. Like I've mentioned to you, I'm part of the CR Committee or CR group in KLUX, so there is a communication representative there who is involved and gives advice'(personal communication, November 11 2009)

The respondent among others acknowledges that there is a working relationship between the PR and CSR departments, particularly in the field of communications. At this juncture, she personally identifies herself as part of the Corporate Responsibility (CR) team in her company when she says, 'I'm part of the CR Committee in KLUX'. This explicitly illustrates that PR skills in communication are highly valued and remain essential to ensure the success of CSR. At the same time this response also suggests that CSR managers are lacking in terms of expertise in communications, and thus require PR supports.

At the same time, PR's role in CSR is also apparent at the macro level. An example of this is the *Silver Book's* Committees who are mostly Corporate Communication managers working in numerous GLCs in the country. As mentioned in Chapter 3, the *Silver Book* is an initiative under the Government Link Transformation programme (GLCT) that guides GLCs to achieve value through CSR. The appointment of Corporate Communication Heads to sit on the *Silver Book* Committees indicates a

strong recognition given to PR to spearhead CSR practices at the national level. This is evident in the following extract:

Manager 15: '... So, we have the Silver Book champions among all the GLCs. And interestingly, most of the Silver Book champions are Corporate Communication Heads because they actually oversee most of the CSR initiatives at a company level.. And that you would find very common..' (personal communication, November 11 2009)

In this extract, the respondent has identified PR's role in CSR, at both organizational and macro (national) levels by virtue of her personal experience, having held both positions. The respondent further affirmed that the appointments of Corporate Communication Heads as the *Silver Book* Committee are by virtue of their function in spearheading CSR at the organizational level.

This *advisory repertoire* reveals CSR managers' dependence on PR particularly when communicating with external publics including the media. Signitzer & Prexl (2008) have argued that PR practitioners do have the necessary expertise and competence to communicate on issues of CSR (p.12). They further highlighted several reasons why PR should have the competitive advantage over other disciplines in communicating CSR. This includes their education and experience in communicating complex issues in multiple ways to various stakeholders, and personal knowledge of stakeholders; as boundary spanning is part of the daily routine of PR (Signitzer & Prexl 2008, p.14). In this respect, unlike other managers, PR professionals are able to include diverse values and interests in the decision making process. Such a unique ability has been highlighted by Van Ruler & Vercic (2002) in their infamous quote:

What distinguishes a PR manager when he sits down at the table with other managers is that he brings to the table a special concern for broader societal issues, and approaches any problem with a concern for implications of organizational behavior towards and in the public sphere (in Phillips 2006a, p.40)

Previous research findings have affirmed that corporate advisory services are amongst the key functions performed by PR practitioners in Malaysian firms (Abdullah & Threadgold 2006). This could be attributed to PR's function at the managerial level, which provide opportunities for practitioners to be involved in the decision making process. Similarly, this analysis suggests PR might assume an advisory role to CSR which among others indicate a strong reliance on PR mainly pertaining to communication issues and image building. It is assumed that PR advice is very much sought by virtue of their long time experience in spearheading CSR prior to the establishment of CSR department in some organizations. Pieczka (2006) affirmed that 'PR's expertise appears as practical knowledge, that is, knowledge which resonates with the practitioner's experience' (p.301).

Alternatively, a heavy reliance on PR for communications and image building implies that CSR initiatives may be merely about creating a favorable business image, rather than generating impact for the stakeholders or the environment. This is by virtue of less reference being made to PR in terms of its analytical skills such as stakeholder engagement and environmental scanning that would help bring greater value to other stakeholders beside business. This has implication to PR in obtaining a strategic role in management. As mentioned in Chapter 2, most management literature has been silent about PR's strategic function in an organization and that includes CSR. This gap appeared in view of too much emphasis given to PR function in image building rather than other strategic activities i.e., environmental scanning and analysis (see Moss, Warnaby & Newman 2000). At the same time, this thesis argues that PR should take the

initiative to demonstrate its worth to both business and society through proper research and evaluation exercise on its multiple strategies including CSR. However, very little attention has been given to evaluate CSR as illustrated in Chapter 5 that also explains PR poor commitment to promote its value to both management and society. From the management perspective, PR ability to demonstrate its worth in relations to organizational goal is pertinent to secure a significant role in the management ladder and subsequently closed door for others to intrude into the profession.

7.4 PR as a mouthpiece

Nonetheless, atypical theme has emerged in the texts whereby the role of PR in CSR is constructed as a 'mouthpiece' of business. Furthermore, the text also maintains that PR could be taken on board by all managers, as illustrated in the following dialogue:

Interviewer: 'Do you agree that CSR or sustainability efforts that you're doing here should be championed by Corporate Communication or PR departments?'

Manager 11: 'I don't know if I believe in that, because you can have a team that concentrates on that but at the end of the day, it is just a mouthpiece. Like I said, the boards of directors are very hands-on. They know the company inside-out. I simply do,.. I've known it since I was born, looking at my father ... doing business in the right way. And I think the more holistically it is, the more hands-on you are, it's good for you too. You are learning at the same time. You know, I believe in that. You don't always sort of entrust the third party, its subjective, I think a lot of people still do it, but that's their preference. Our practice is to be holistic about it. I mean like I said, it takes my time to write this report, but I do it because I learn at the same time and I think that's my approach to reporting. And it is the same with the organization as well, the directors and their divisions. They're very hands-on with what they do....you outsourced the communication

but at end of the day, you still have to tell them what to do .. But no doubt people use it because it's more time effective for them. Maybe because of other commitments they have. Maybe a division like that (PR) might help in a way. Like I said, it's just a mouthpiece at the end.' (personal communication, September 3 2009)

This peculiar theme appears when the respondent expresses skepticism about the idea of having a PR department to spearhead CSR:, 'I don't know if I believe in that'. Being the person who is leading the CSR initiatives for the firm, she constructs PR's role as just a mouthpiece of business. The respondent demonstrates strong confidence that all directors are capable of championing CSR activities, including communicating practice detail. She makes this clear in her statement: 'you can have a team that concentrates on that but at the end of the day, it's just a mouthpiece'. 'Like I said, the board of directors are very hands-on. They know the company inside-out. This analysis suggests PR is merely a generic skill which should be acquired by all managers. In this context, having PR role to spearhead CSR seems to be less relevant as the function could be easily substituted by others. This skeptical attitude towards PR could be attributed to the respondent's educational background, which is outside communication field. In addition, her personal experience and observations on how the business has been traditionally run, and achieved success without any assistance from PR experts, may further shape this position. This implies lack of understanding about PR role and contribution in pursuing organizational function among top level managers. In this case, PR is in dire need to demonstrates its worth to management or remain marginalized. This is parallel with White & Vercic (2000) when they exhorted PR to intensify efforts to educate management about their contribution 'so that their perspective is not lost in management planning and decision making.' (p.199)

7.5 Repertoire: PR challenges

Despite PR's significant involvement in promoting and advisory function in CSR, as elaborated in the previous section, PR challenges repertoire has emerged from the texts. This theme describes about factors that place a limit on PR in spearheading CSR practices. As explained in Chapter 3, CSR in Malaysia has constantly grown beyond the social dimension (see *3.3.3 CSR: Towards competitive business and a developed nation*). Bursa Malaysia has identified four areas of CSR that includes environment, marketplace and workplace beside community in its *CSR Framework*⁶³ to provide businesses with more choice in identifying their priority with regard to social performance. Hence, new terms such as corporate responsibility (CR) and sustainability have emerged to represent a more holistic dimension that goes beyond social issues. Notwithstanding, this positive development has imposed great challenges on PR in spearheading the practice, as illustrated in the following extracts:

Manager 6: '...in terms of the road safety part, those kind of corporate responsibility elements are handled by different departments. The road safety is by the traffic safety division....Our (PR) CSR would be confined to actual activities and strategies in order to get investors, potential investors and stakeholders to be more confident about the company. That we are responsible!' (personal communication, August 20 2009)

Manager 2: '...PR may be just merely perception control...but in our case, we generally want to get technical input from our company. Let's say, from our safety or environment sections to tell us maybe we can do something for this community....all this must come from overall rather than from PR alone.' (personal communication, July 24 2009)

⁶³ CSR framework is a set of guidelines introduced by Bursa Malaysia for Malaysian public listed companies (PLCs) to help them in the practice of CSR (Bursa Malaysia, n.d).

Both respondents directly limit what PR can do with regard to CSR. The first respondent asserts that PR's strategic role in CSR is to attract investment among shareholders. She has strongly acknowledged her responsibility in carrying out this specific task when she asserts, 'that we are responsible!'. However, the respondent also recognized the role of other department in carrying out CSR that mostly covered other technical dimension such as road safety. She delimits the PR function in CSR when she says: 'Our CSR would be confined to actual activities and is strategic in order to get investors, potential investors and stakeholders to be more confident in the company'. This suggests that PR role in CSR is limited to stakeholders' relationships and reputation management to maintain a long term investment from investors.

As mentioned in Chapter 1, this thesis argues that encroachment into the field of PR occurs when practitioners demonstrate low awareness of their competencies and values in pursuing the organizational function (see Lauzen 1992). Therefore, practitioners' perception of their function and their ability to execute the practice also affect the scope of PR and this includes its role in CSR. Manager 2 in the extract perceived PR as simply responsible for perception management when he says 'PR may be just merely perception control'. In the interim, the dynamic nature of CSR has required PR to engage people from other departments to help them contribute in CSR initiatives, particularly when it relates to non-social components such as environmental impact, safety, health, human rights and market place issues, just to name a few. In this regard, the respondent illustrates the need for collaborative effort with other department to obtain non-social information that could be further applied in CSR practices. He stated this clearly when he says, 'we generally want to get technical input from our company, let's say from our safety or environment sections to tell us maybe we can do

something for this community'. In this context, PR should use its ability to network besides communication to generate optimum result of collaboration. This collaborative effort would help PR in the pursuit of CSR that is beyond the social dimension.

The extract below is another example that illustrates practitioner perception towards PR practice that could affect PR contribution to both business and society:

Manager 7: 'And of course you have to remember that corporate service, public relations, and communication departments, come under corporate services. As a corporate service, it is a cost bearing department. It is not income bearing. So we have to try and manage, although we are doing CSR activities, which is good, but again there is a balance that you need to strike. We cannot go overboard with CSR activities. And we don't have the people and resources to implement! Well, we do what we can, you know, maybe on a mediocre basis. Some companies are different. They have a budget.' (personal communication, August 21 2009).

The respondent in this extract identifies PR as a cost centre rather than a profit making department. He strongly distanced PR's ability from generating profit for business through his phrase: '..it is a cost bearing department. It is not income bearing'. This has somewhat weakened PR's ability in bringing value to the firm or to contribute in a strategic manner. Inability to pursue a strategic function may impede PR to acquire a more significant role in the management ladder. At the same time, the respondent has personally identified manpower and funding as his major constraints in pursuing CSR practice. This is explicitly stated in the following phrase: 'We cannot go overboard with CSR activities. And we don't have the people and resources to implement!' He further lamented that these constraints to some extent have affected the quality of CSR programmes when he says: 'Well, we do what we can, you know, maybe on a mediocre

basis'. These constraints have been very much accentuated by the respondent in view of having a lean Corporate Communication department.

Furthermore, more constraints are observed to be underway if PR continues to take charge of CSR. Direct reference is given to shortage of resources that include manpower, time and monetary factors that prevents PR from pursuing a long term commitment to CSR. The following extracts illustrated how these constraints emerged in various accounts:

Interviewer: 'Before the establishment of a CSR division, Corporate Communications used to handle all CSR activities for PBC?'

Manager 1: 'Yes! We handled all CSR programs, because the CSR activities take a lot of our time and we are involved with many CSR programs, so the management decided to establish a new department.' (personal communication, July 15 2009)

Manager 15: 'It is important to get dedicated staff, because when it (CSR) was sitting with us we have no time to sit and strategize what the CR initiatives should be. So, we were very ad-hoc,so that's what happened when you don't have a dedicated resource.' (personal communication, November 11 2009)

In the first extract, the respondent demonstrates a commitment to undertake all CSR activities before the establishment of a CSR department. Nevertheless, the respondent identifies several constraints in spearheading CSR initiatives, such as: 'CSR activities took up a lot of our time', and 'we were involved in many CSR programmes'. In this regard, the respondent has acknowledged PR's constraints to cope with huge amount of CSR activities that claimed to be time consuming. The substantial number of CSR projects in this context is attributed to the organization's GLC's status. PR's

deficiency to focus on CSR served as one of the main reasons why management eventually established a CSR department.

The following extract in the same way suggests a lack of manpower and time as contributing factors that impede PR's ability to perform CSR programmes effectively. These constraints emerged in the following phrases: 'it is important to get dedicated staff', 'we have no time to sit and strategize' and 'we were very ad-hoc'. In these terms, not having sufficient personnel could affect the strategic planning of CSR programmes. This analysis also implies that CSR has become more significant in contemporary business in which ad-hoc and feel good programme is no longer considered as a relevant practice. As a result, large corporations have started to form a department that is specifically responsible for managing CSR functions. In addition, the importance of having adequate manpower is also addressed in the following extract:

Manager 2: '.... if you want to essentially be genuine about this so called CSR.. managing well the stakeholders you need full time people to meet up.. there are lots of stakeholders..we are talking about a community of about easily a few thousand people,..meeting up with the leaders of the community alone will engage you for few weeks, right or not?these are all ongoing ..I mean if we are sincere about doing it we really need a big team to handle them.'(personal communication, July 24 2009)

The respondent uses the notions 'genuine' and 'sincere' to represent a serious commitment in pursuing CSR initiatives. The respondent also states that a genuine CSR requires ongoing and long term engagement with multiple stakeholders that imposes constraint for a lean PR department to handle. The respondent acknowledged this constraint in view of having only two personnel to run the Corporate Communication department in the company. At the same time, the respondent recognized the value of stakeholder engagement in pursuing CSR that entails frequent and long term

communications with stakeholders. However, Pieczka (2011) in her critical reflection has argued about PR ability to engage in effective dialogue that serves as the core activity in stakeholder engagement. She argued that 'dialogue is poorly understood and used marginally' (Pieczka 2011, p. 119) both in PR scholarships and practice. Therefore the quality of stakeholders' engagement exercise engendered from CSR initiatives particularly in terms of its impact to both business and society worth to be further explored. Finally, it has been affirmed that long term CSR initiatives require a substantial amount of funding. This serves as another major challenge for PR departments. Idid (personal communication, September 8 2009) argued that one disadvantage of placing CSR under PR is that CSR has to contend with other PR activities for resources. This is particularly true for small or medium size corporations. Therefore, I strongly suggest that PR ought to demonstrate its value by providing concrete evidence, via research, of its ability of pursuing CSR that both benefits business and society at large. This evidence could then be used to demand for more resources for CSR.

7.6 Conclusion

This chapter examined the dominant themes that have emerged in terms of PR role in the pursuit of CSR. The analysis found PR role to promote CSR practices that mainly focused to the benefit of business tend to be dominant across interviews. Interestingly, the thesis found a strong resistance towards PR role in promoting CSR that inherently cultural. The inclination to be low profile and less assertive in the pursuit of CSR was largely influenced by Malaysian cultural values and religion. Therefore, this thesis strongly suggests a considerable attention to be given to cultural dimension

prior to communicating CSR. In addition, PR role to advise on CSR related activities has been constructed as relatively dominant by both PR managers and CSR manager from the interviews. However, in most instances PR advice has been mainly sought in the realm of communication and image building over other PR analytical skills. This has implication to PR profession to further promote its actual contribution both to business and society. The dynamic growth of CSR is evident when more investments have been made to support the practice and this includes the establishment of CSR departments to manage the entire CSR initiatives, mainly among big corporations. This development is actually a good sign, as it shows a business commitment to consider other needs besides making profit. However, this may impose a challenge, if not a threat, for PR continues to spearhead CSR practice. Scarcity of resources such as funding, time and personnel emerged as major impediment for PR to engage in CSR on a long term basis. At the same time, this chapter found PR tendencies to devalue their professional worth in the pursuit of CSR could also affect its scope in the practice. For example, PR practitioners equate PR strategies as merely confined to perception control and hardly see how PR could contribute strategically to the organization. These have somewhat weaken the PR values in pursuing the organizational function including CSR. This chapter strongly suggests PR to demonstrate its worth by providing concrete evidence, via research, of its ability of pursuing CSR that both benefits business and society at large. Therefore, it is time for PR to reflect on the implications of their actions to business, society and its profession as a whole.

CHAPTER 8: CONCLUSION AND IMPLICATIONS

This chapter presents a critical reflection of the research finding, implication and its contribution to the literature and the practice of PR particularly within Malaysian contexts. The chapter begins by encapsulating research objectives and approach undertaken for this thesis. It then proceeds to provide a critical discussion of CSR practice in Malaysia as found in practitioners' discourse and CSR reports. At the same time, the chapter will also identify particular discursive absences. The chapter then elaborates recommendation for future research based on several issues that have emerged in the thesis. It continues to highlight my personal reflection on this thesis and its contribution to the literature.

This thesis was undertaken to explore the practice of CSR in Malaysia and to examine critically the role of PR in pursuing CSR. The Critical Discourse Analysis (CDA) approach adopted in analyzing executive messages from CSR reports has made the relationship between socio-cultural, political, economic and organizational contexts in Malaysia that shape CSR practice more transparent. The analysis also addressed the taken for granted issues beside the dominant practice of PR role in CSR thus unveiled the power dynamics implicated in this relationship that are often disregarded by the positivist research. The ontological underpinning of this research assumed multiple realities of knowledge construction and rejected a single truth.

8.1 A Critical Reflection on CSR in Malaysia

CSR practices in Malaysia are intertwined with the history, social, economic and political landscape of the country. The role of the government in driving CSR practices in Malaysia remains fundamental from the start. The government has been leading the practice of CSR mainly through its close linked corporations i.e., government linked companies (GLCs) that actively initiate development projects for society aligned with national vision. Similarly, public listed companies (PLCs) have also assumed an active role of pursuing CSR subsequent to a new listing requirement imposed by Bursa Malaysia (see Chapter 3). Such mandate to contribute back to society has impinged on the nature of CSR practices among business elites in Malaysia that predominantly in line with the nation's socio-economic objectives.

The finding of the thesis reveals that Malaysian government occupies a central position in developing and advancing CSR initiatives mainly through the GLCs. This is evident when GLCs have been actively involved in the execution of mega CSR projects to develop human capital, education and alleviation of poverty that are all essential for national development. This appears to be an absolute contrast to CSR efforts in the developed countries that concentrates on fair trade, socially responsible investment, consumer protection and green marketing (Visser 2008, p. 482). Unlike its Western counterparts such as the United States or United Kingdom, Malaysian government has set in motion special CSR funding and incentives; which include tax exemptions for companies that have made substantial social investment to society (see 3.3.4 CSR: Championing the practice). This is part of the government's strategy to keep up the momentum among business firms to do good to society. In brief, government's support

of CSR is indispensable to the growth of CSR in the country. Unlike the Western model, CSR practices in Malaysia are manifested as an essential part of the ruling elite's agenda to build the nation. It is largely a state project that aims to address national issues. This thesis has found that business which has a strong government influence i.e., GLCs, typically constructed nation building as the main motive to do CSR rather than to meet the bottom line pressure. In this context, GLCs' role in supporting the aspiration of the government through CSR has been substantial. This is in view of GLCs' nature of establishment and their unique relationships with the government as illustrated in Chapter 3. In most cases, CSR initiatives were oriented towards developing and improving the society as a whole and that include education, eradication of poverty, human capital development etc.

Alternatively, social investments made by big business corporations in Malaysia serve as a means to show compliance and support to the ruling elite's aspiration which may be construed as political (see 6.2 Repertoire: CSR for the good of the nation). Compliance with government policy is imperative to maintain business legitimacy. This is particularly true within the context of a high power distance culture in Malaysia (see 3.1.1 Social and cultural landscape) that recognised government as a powerful entity. Previous research revealed that government appeared to be a significant public particularly for corporations that want to 'participate in and benefit from economic opportunities in Malaysia' (Taylor & Kent 1999, p. 141). Therefore, corporations' engagement in CSR may be interpreted as self-serving that largely aimed to uphold business' interests as well as a manifestation of compliance with the ruling elites to maintain their legitimacy to operate.

It is worth noted that, the government's leadership in the pursuit of CSR practices corresponds to the need of Malaysia in heading towards a developed nation by the year 2020. Drawing from Malaysian perspectives, CSR serves as a strategy to enhance business competitiveness and subsequently drive the nation's economy. However, the practice of CSR relatively remains in the hand of the dominant actors (e.g. government and businesses) who constantly decide what is best for society. Assuming that all CSR initiatives led by these social elites (government, GLCs and PLCs) addressed the actual need of society and other intended audiences is indeed an oversimplification. Therefore, this thesis suggests for a systematic evaluation on these CSR initiatives to ensure the intended recipients' expectations and needs are adequately met. At the same time, this thesis strongly concurs to the recommendation made by the critical views to include the potential recipients in the decision making process; as one way to ensure they obtain the benefits they deserve (L'Etang 1994, 1995, 1996, 2006; Kuhn & Deetz 2008). This element has been absent throughout practitioners' discourses. On the same note, the thesis also suggests for PR to include recipients' voice in CSR reporting to generate a more balanced assessment.

Economic growth is a cornerstone for social stability in Malaysia. The literature affirmed that having a stable and robust economic state is essential to ensure Malaysia continues to enjoy equitable distribution of wealth which is critical to preserve the national unity of the multi-racial society in the country. In retrospect, the government has long been the sole anchor in developing the country. Over the years the government has gradually tender equivalent mandate to both the public and private sectors to promote the national development. The key policies introduced in the 1980s such as the 'Privatisation policy' and the 'Industrialization policy' (see Chapter 3) demonstrated a

clear evident of this collaborative effort between both the government and private sectors to drive the economy. It is worth to highlight that Malaysian economy is largely depends on foreign direct investment (FDI) and that implies a strong reliance on international investors. At the outset, the government has strongly encouraged business to emulate international practices to endure the challenge of globalization and that includes CSR practices and reporting. In this case, local businesses were expected to transform their traditional outlook and practices to match the international business standard. This transformation is central to attract international investors to Malaysia and also for local business to make a breakthrough into the international market particularly in the developed countries. As a result CSR was found to be a common practice among big corporations to remain competitive in business.

Data obtained from both interviews and CSR reports revealed a strong tendency among businesses to use economic discourse in CSR. In particular, CSR was constructed as a business strategy used by organizations to meet their bottom line pressure. The finding illustrates that CSR discourse was predominantly conceptualized as business survival (see details at 5.1.1 Repertoire: CSR for business survival) and a symbol of success that also mirrored business's international standard (see details at 5.1.2 Repertoire: CSR as a symbol of success). This is in keeping with Nelson (2003) findings when he argued that CSR in developing nation tends to stress the importance of 'economic multipliers' including the spread of international business standard that draw international investments to the country (in Visser 2008, p. 490). It is worth noted that a strong and sustainable business financial performance would enable business to make a significant contribution to the nation's economy.

Likewise, the aspiration to achieve economic growth through CSR also affects the motivation of pursuing CSR at the organizational level as elaborated in Chapter 6. Business case emerged as the most dominant motive of pursuing CSR practices among organizations in Malaysia. In most instances, CSR values is mainly prioritized to the advantage of financial stakeholders i.e. shareholders, and customers, and to enhance business efficiency. In this context, I strongly argue that the positive impact of social investment is mainly constructed as business' rhetoric in CSR report to entice financial stakeholders in which PR function found to be dominant. This is consistent with Du, Bhattacharya & Sen (2010) when they affirmed that 'companies should explicitly discuss the business impact of their CR activities, and how their social initiatives are linked to key business metrics when communicating with mainstreams investors' (p. 16). However, the tendency to provide information that a business find important and assuming it is what stakeholders want to hear may not meet the actual need of the stakeholders (see Morgan 1999, Christen & Cheney 2000 in Morsing & Schultz 2006, p.333). The finding of this thesis illustrates that a significant component of engaging with stakeholders through CSR has been absent from practitioners' discourse thus appear problematic. Scholars affirmed that stakeholders' engagement is fundamental to incorporate insight on actual issues and needs of stakeholders thus produce a better CSR (see Freeman 1984; Waddock & Smith 2000).

One major area of concern is that the motivation to maximize wealth and economic growth (see 6.1 Repertoire: Business case motive see also 5.1.1 Repertoire: CSR for business survival) compelled PR to marginalize the need of non-financial stakeholders of the firm, i.e. the local community, the underprivileged and society at large (see 7.1 Repertoire: Promoting CSR for a competitive business). In this respect,

PR would primarily work to serve the interests of business, and its 'elite' stakeholders that matter most to business. This finding reveals that CSR practice was largely driven by a pre-determined business objective of the business's elites. Critical perspectives emphasize on PR practitioners' ethical conduct in view of their major function to advocate organizational interest (e.g. L'Etang 1996, 2006) because of the increasing tendency among practitioners to prioritise the need of business rather than the interests of the less dominant groups in society. The finding shows the ideal of PR Excellence that promote the mutual interests of business and the publics was not reflected in practitioners' discourse thus did not lend support to Grunig's (1992) PR Excellence when he asserted that:

'One major purpose of excellent PR is to balance the private interests of the organization with the interests of publics and of society. Excellent PR does so through strategic planning and symmetrical communication programmes. If excellent organizations are to be socially responsible, they need excellent PR to help them make that way.' (p.241)

In this case, PR role in promoting excellent practice in Malaysia and that includes its role in driving CSR would appear problematic. Promoting CSR that would increase a firm's reputational capital thus generates desirable impact to business found to be a dominant PR role in the thesis. This gives support to the literature that reported CSR disclosure was put under the purview of PR that primarily aimed to generate business publicity (see Zulkifli & Amran 2006). In addition, studies also showed that Malaysian firms engaged in social reporting initiative merely to improve corporate image (see Nik Ahmad, Sulaiman & Siswantoro 2003; Zain, Mohammad & Alwi 2006). In this regards, the advantage of CSR to business tend to outweigh its advantage to other stakeholders. This has also influenced practitioners' evaluation of CSR that

skewed towards business perspective rather than social impact as manifested in CSR report and PR practitioners' discourse (see pp. 222-223). In brief, CSR driven by a business case motive serves as the key stumbling block for PR in creating sustainable impact and value to other than its client organization or paymaster. This thesis argues that it is time for PR to reflect on this common practice and its ethical implication to both client organization and PR profession as a whole.

High collectivism values is a prevailing culture of Malaysian society (see 3.1.1 Social and cultural landscape). Sense of caring for others, cooperation, togetherness and harmony reflect collectivism values (see Hofstede 2001) that corresponds to CSR practice. For example, giving donations to charitable institutions and the spirit of volunteerism to help others in need are common practices among individual citizen in Malaysia. In this context, doing good to society has been part of Malaysian culture. Therefore, any initiatives toward a betterment of society will receive a strong support from the citizen. At the same time, the influence of religion has been substantial among Malaysians. Almost 61% of the total population is Muslim followed by Buddhism (19.8%), Christianity (9.2%) and Hinduism (6.3%) (Department of Statistic Malaysia 2011). The influence of culture and religion on CSR is reflected in the thesis. Among others the findings showed personal values and religious belief emerged as relatively apparent motives in the pursuit of doing CSR in Malaysia. These themes were largely emerged when respondents expressed personal thoughts and aspirations with regard to CSR (see 6.3 Repertoire: Personal values of business leaders and religious beliefs).

This demonstrates that both culture and religion are pertinent elements that constantly shaping the motive of pursuing CSR practices in the country. I argue that

these intrinsic motives could possibly yield greater impacts on society, as they are free from any external pressures i.e. government or bottom line, and is thus worth further exploration.

This thesis also examined the role of PR in CSR in Malaysian context. In most occasions, practitioners constructed their role in promoting CSR to achieve specific business interests and mainly focused on building a desirable corporate image or fostering investors' confidence to generate more investments. PR's role in promoting the ultimate goal of business found to be dominantly constructed in the interview texts. In this case, PR practitioners consider their ability to promote CSR as a strategic practice as it brings desirable impact to business. This idea of linking PR's strategic function with its ability to bring economic value to business is inherent in the functional perspective. It is assumed that how PR practitioners constructed their role in CSR was strongly influenced by the nature of CSR practice in Malaysia. CSR in Malaysia is part and parcel of a business strategy which explained why promoting CSR for economic reason tends to be a dominant function of PR and this was reflected in practitioners' discourse. Drawing from the literature, this thesis affirmed that the role of PR in Malaysia changed and expanded to suit a particular context and need, mainly to the advantage of the elites including businesses (see Chapter 3). Likewise, the findings of this thesis show that the current CSR practice in Malaysia served as a strategic means to achieve business's economic goal and subsequently meeting the national development agenda. In this case, PR role in promoting CSR was mainly constructed to be working to meet the aspiration of the elitists.

Nevertheless, the finding also shows a relatively dominant theme against the idea of promoting CSR practices for a competitive business. In Malaysia, communicating CSR practice is largely constrained by cultural values. For example, the analysis revealed that Malay's dominant companies, such as GLCs, were less inclined to draw public attention to their social investment programmes. Drawing from cultural perspectives, the *Malay* culture has been depicted as low in masculinity, and upholds the values of modesty, humility and politeness (Abdullah 1992; Lim 1998 in Fontaine, Richardson & Foong 2002). Therefore, being assertive in communicating the social performance of business seems to contradict *Malay* values (see 7.2 Repertoire: CSR as cultural practice).

This thesis suggests the inclusion of cultural practice as a dimension to be considered in the realm of communicating social performance or CSR. Therefore, I strongly argue that PR managers from other nations ought to have a deeper understanding of cultural aspects that are embedded in a specific country i.e., Malaysia, and aware of its implication in communication. This knowledge would assist PR to decide on the form and degree of communicating socially responsible behaviour that is suitable within a Malaysian context. Pursuing any communication strategy that is perceived as ideal in one nation could be counter-productive in another. This knowledge is mainly useful for multinational corporations in pursuing CSR initiatives in Malaysia.

This thesis also found PR to assume an advisory role in CSR, which implies that a significant degree of authority and expertise is attributed to practitioners to enact CSR. In many instances, PR advice has been mainly sought in the realms of

communications and image building. However, other PR analytical skills that would further help business to make an impact on society, such as stakeholders' analysis and environmental scanning received less reference from both PR and CSR managers. A strong reliance on PR in terms of communications and image building implies CSR practice in Malaysia is predominantly concerned with generating a reputable image rather than meeting the actual needs of the stakeholders involved. I argue that this phenomenon appears as one of the key issues that would impede PR from making a sustainable contribution to society. Likewise, PR would continue to receive little recognition from management in view of its functionary role that merely concerned with projecting favourable image for a company (see Moss, Warnaby & Newman 2000). Therefore, this thesis strongly suggests PR to make constant effort to demonstrate its ability in creating values to both business and society through CSR initiatives and subsequently uphold its professional worth.

This thesis also found constraints and limitations that affect the role of PR in CSR. Funding, time and manpower were constructed as major constraints that inhibit practitioners in pursuing consistent CSR initiatives. PR's deficiency in terms of resources has largely contributed to the formation of CSR department to take charge of CSR. However, I strongly believed that these constraints could be attributed to PR's inability to convince management as to their worth. Idid (1998) reasoned that management considers the value or contribution of a department to the company, prior to deciding whether to form a department, provide additional resources to aid a department to function, or even to consider whether to expand the division. On this note, I strongly suggest that PR ought to demonstrate its value by providing concrete evidence, via research, of its ability to pursue CSR that both benefits business and

society at large. This evidence could then be used to demand the resources that they require and continue to take charge of CSR.

Business initiatives to do CSR have been very much driven by economic reason that enables business to be more profitable to contribute to the nation as a whole. At the same time, CSR is an integral part of government's nation building project. This has been well manifested in the underlying motives of pursuing CSR and range of CSR activities initiated by businesses. By the same token, CSR has been used as PR's tool to accomplish both the government's aspiration in developing the nation and business objective. The finding of this thesis provides a clear example of how a nations' unique cultural traditions, religion, history, social and economic factors have significantly shaped CSR practice thus contribute to enrich the literature on CSR in developing nation.

This thesis has embraced qualitative paradigm with small sample size being utilized. Therefore, the findings of this empirical work cannot be generalized to others' experience. Instead, this research work has generated a rich description of CSR practice in Malaysia and PR practitioners' role in pursuing the practice.

8.2 Future research

This thesis has served to provide initial empirical findings about the state of CSR in Malaysia and the role of PR in CSR practices. These findings also offer new area of future research that would enrich PR and CSR literature.

Among others, the findings have revealed GLCs as primary movers of CSR in the country. This is evident in their active engagement and the huge CSR projects undertaken. GLCs through GLCs' Transformational programme (GLCT) have focused on dual objectives; to enhance financial competitiveness along with contributing to national social development. This thesis proposed that further empirical work to be carried out to examine the impact of GLCs' CSR initiatives and its actual contribution to national development i.e., Vision 2020. This research should take into account recipients' perspectives and experience in order to understand CSR's impact on them. The role of PR in the pursuit of CSR practice particularly in terms of engendering impact to both society and business are worth to be explored as well. The research can focus on specific award winning CSR programme in Malaysia. A phenomenological approach could be employed in order to generate in depth information and to describe real experience of both PR and CSR recipients.

The findings also disclosed religious values as an underlying motivation that prevails among business leaders in Malaysia in undertaking CSR. As I argue in this thesis, religious motive could offer greater consideration to the actual needs of stakeholders in comparison to other motives as it is an expression of gratitude to God rather than to meet any material gain. The literature has affirmed that the *Malay* tend to give greater importance to religion compared to other cultural groups in Malaysia (see Fontaine, Richardson & Foong 2002). Therefore, it is worth further examine to what extent religious motivation affect the practice of CSR among the *Malay* business leaders, particularly in creating greater value to CSR recipients.

Next, the thesis also found that CSR communication is a complex practice. The practice has been largely promoted in view of its perceived positive impact on business. At the same time, the thesis found cultural values as potential constraint that affect CSR communication. However, in view of an increased attention on CSR communication, it would be worth exploring the tension between promoting CSR practices and culture and its impact on stakeholders' skepticism. The findings perhaps could be used to develop a conceptual communication framework that includes cultural element, besides other components of communication to suit the Malaysian context. This framework may offer better understanding of communicating social performance within Malaysian context.

8.3 Research reflections

This section elaborates on my personal reflections on the research experience, and its implications on my role as a novice qualitative researcher. This reflection encapsulates my experience in conducting a qualitative research, and examines how this experience has increased my knowledge of research and enabled me to view the world differently.

My interest in exploring the role of PR in CSR began about four years ago when the practice was in the limelight following the inaugural CSR Prime Minister Award that aimed to give recognition to business organizations in Malaysia that have made contribution to society through their CSR efforts. Based on my observations, heightened attention to CSR has concurrently brought Corporate Communication or PR practitioners to the centre stage. More often than not, PR practitioners were accredited as the official spokespersons made responsible for anchoring the CSR initiatives of the

firms. Furthermore, the International Conference on CSR often featured representatives from Corporate Affairs or Corporate Communications to present the CSR experiences of their organizations. Each of these events has contributed to my early contention that PR is achieving a bigger role within CSR. Notwithstanding, this optimistic outlook has been contested with statements made by CSR champions and scholars who lamented that 'CSR is beyond good PR' or 'CSR is merely PR window dressing effort'. Furthermore, the move made by several CSR renowned corporations to establish CSR departments, has challenged my original proposition that PR was gaining a bigger role through CSR. Therefore, this research has been conducted to explore the reality about PR's role in CSR from practitioners' perspective.

The nature of this research has enabled me to be close to sources of data and obtain first hand information from experienced PR managers. Direct interaction with real practitioners provided me with opportunity to learn about their experiences, dilemmas, constraints, and strength in pursuing their role in CSR. As a qualitative researcher I see myself as the research instrument i.e. having direct contact with respondents via one-to one interviews to elicit data. Patton (1990) affirmed that 'closeness to data made key insight possible, instead of leading to bias or loss of perspective.' (p.48). At the same time, having an inside knowledge about Malaysian culture and norms of society helped me to contextualize gestures, written and spoken words without depending on too much detail from respondents. For example, as a respondent linked communicating CSR with the 'Malay culture' (see Chapter 7), this allowed me to contextualize the meaning behind this notion without too much difficulty. At the outset, I tend to take whatever is common in my culture for granted, and let it go unnoticed without making much attempt to reflect on its worth, or link it to

wider contexts. For example, some respondents expressed opinions using *Malay* sayings (proverbs) or *Malay* words i.e., 'rakyat' (citizen), which somehow demonstrates power relations within Malaysian context (see 6.2 Repertoire: CSR for the good of the nation). Therefore, in my subsequent attempts I have put considerable effort into reflecting and questioning common practices by linking them to wider socioeconomic, cultural and political dimensions. This is congruent with Bourdieu (1979) when he affirmed that 'our social practice is bound up with causes and affects which may not be at all apparent' (in Fairclough 2010, p. 93) particularly to those who were involved.

I adopted critical discourse analysis (CDA) to analyse executive's messages from CSR report as part my analytical approach. This was another great challenge in my research endeavour. I struggle to understand many different forms of discourse analysis and multiple techniques used to adopt them. I eventually learnt that CDA could be used in many different ways to meet specific research needs. Therefore, I followed Fairclough's (1995; 2010) three dimensions of CDA (textual, discourse level and social cultural), to analyse dominant themes or known as interpretative repertoires that emerged from executive messages from the CSR reports. The critical discourse analysis (CDA) approach has been useful to make the relationship between sociopolitical, economic and organizational contexts that are shaping CSR practice and the scope of PR role in the practice more transparent.

I have also found that data from both interviews and executive messages from CSR reports provide rich description in understanding the subject understudy of this thesis. Data from interviews yielded inside information, such as conflicts and events

that hardly get mentioned in official documents such as CSR reports. For example, a respondent disclosed that a local community protests over a business decision to establish a waste management centre has resulted in better business-community relations through CSR (see Chapter 7). Respondents also shared their constraints and limitations in pursuing CSR through one-to-one interviews. Interviews provided rich insights into the role of PR in CSR from practitioners' perspectives that was not being highlighted in CSR documents. On the contrary, executive messages published in CSR reports are purposely designed to meet the expectations of regulators and strategic stakeholders, and should not be taken at face value. Therefore, I always reflect on the underpinning motivation of the publication and how it has shaped the content.

At the same time, I have used long quotes in my thesis along with reflective notes made during the interviews to capture specific contexts that surrounded the text. That makes my thesis very rich and full of 'thick description⁶⁴'. Qualitative scholars affirmed that thick description is necessary for 'thick interpretation' (see Denzin 1989 in Patton 1990, p. 430). Drawing from Denzin (1989), Patton (1990) affirmed that 'thick interpretation' means it is possible to connect individual cases to larger public issues and to the programmes that serve as the linkage between individual troubles and public concerns' (p. 430). At the same time, the three tier analyses adopted from Fairclough (2010) also contributed to the density of data presentation and analysis. Therefore, analysis is divided into three distinct chapters in view of a lengthy discussion accrued from a substantial amount of data used in the thesis.

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⁶⁴ A thick description does more than record what a person is doing. It goes beyond mere fact and surface appearances. It present detail, context, emotion, and the webs of social relationships that join persons to one another. Thick description evokes emotionality and self-feelings. It inserts history into experience. It establishes the significance of an experience or the sequence of events, for the person or persons in question. In thick description, the voices, feelings, actions and meanings of interacting individuals are heard (Denzin 1989, p. 83 in Patton 1990, p. 430)

This thesis is my first endeavour in qualitative research. I also found the process of making meaningful and critical analysis painstaking. I took a long time to develop my analytical skills. My early analysis was mostly descriptive without much critical insights. I then learned to constantly question myself on every descriptive observation I made and relate them to theoretical frameworks available in the literature prior to linking them to a wider social context. The process was tough but eventually it became more natural once I acquired the rhythm. I strongly believe that analysis is indeed a skill that requires countless practice. It does improve as more time is devoted to thinking and reflecting processes.

As a female researcher I have received good support from my fellow respondents regardless of gender. This could be attributed to equal access to education for both women and men in Malaysia thus, having a female researcher is not uncommon. In this research, gender differences does not seems to affect the dynamic of qualitative interviews conducted as often to be the case for a research that entails sensitive topics i.e., sexuality, violence or mental illness (see Broom, Hand & Tovey 2009). Furthermore, five out of twelve respondents PR practitioners interviewed were women. This indicates women have comfortably secured a managerial position in the field of PR in Malaysia. The 'feminization' of the profession is also evident in Malaysia along with its counterparts; United States and Western Europe in which the number of female practitioners had jumped to 53% in 1992 from only 30% in 1977 (Idid 2004, p. 220). However, Idid (2004) affirmed that males continue to dominate managerial position.

All in all, I have found myself undergoing many phases in developing this thesis; each phase has its own knowledge and experiences to spare. Therefore, I would like to conclude that undergoing the entire process of research is indispensable in order to grasp the requisite research skills i.e., 'know-how' knowledge and the understanding of my role as a qualitative researcher who was actively involved in co-constructing knowledge in this thesis. This research journey served as an eye-opener about the value of qualitative inquiry and its huge potential in bringing multiple realities that we often overlook. At this point, I am still learning many different dimensions of qualitative research and hope to experience another adventure soon. I like to see myself as a traveler. I may not have reached my destination yet in exploring the rich knowledge of qualitative research, but I believe 'I am closer to it than I was yesterday'.

8.4 Contribution to literature

Research on both PR and CSR has largely revolved around the developed nations. This thesis focuses on the connection and relationship between CSR practice and the role of PR in the pursuit of socially responsible practices in a developing nation and thus fills a gap in the literature. It has been argued in the beginning that the practice of PR and CSR vary in concept, and are also manifested in numerous forms and degrees from one nation to another.

The findings offer a clear variation from extant literature on the practice of CSR particularly in developed countries i.e., the United Kingdom and the United States. In Malaysia, CSR has been embedded in government's policies and promoted by regulatory agencies and businesses together. In other words, CSR continues to be a

significant agenda of the government that often equated with social development. At the same time, CSR is viewed as a business strategy to remain competitive and subsequently drive the nation's economic growth. In brief, Malaysia has a distinctive practice of CSR that is tantamount to a state project that promotes government's aspiration. This pattern is particularly dominant among corporations that have a close linked with the government e.g. GLCs. As the ruling elites the government has employed CSR as a means to mobilize support from both public and private sectors to champion the national agenda. This concerted effort on CSR is imperative for Malaysian to become a developed nation by the year 2020. The finding of this thesis was a clear example that CSR development is parallel to the socio-cultural and values hold by a specific nation thus challenged the idea that CSR in developing countries is purely a Western influence (see Frederick 2008).

At the same time, how PR practitioners constructed their role in CSR was strongly influenced by the nature of CSR practice in Malaysia. In Malaysian context, CSR has largely emerged as part of business strategy to enhance competitiveness and the role of PR in promoting CSR to achieve a similar end was found dominant.

This thesis embraced a critical approach which offers alternate readings in Malaysian PR literature which are dominantly quantitative in nature. This empirical inquiry explicitly exposes the relationships between socio-political, economic and cultural dimensions that shaped CSR practice and scope of PR role. In conclusion, this is one of the earliest empirical works to examine critically the role of Malaysian PR practitioners in CSR and thus makes an original contribution to the literature.

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APPENDIX I

LIST OF CSR REPORTS AND RESPONDENTS PROFILE

CSR REPORT

CSR report	Organization	Executive Messages	Publication
Report 1	PBC	Chairman	CSR Report 2007
Report 1	PBC	President & Group Chief Executive	CSR Report 2007
Report 2	PUTRA	Executive Chairman	Sustainability Report 2008
Report 3	DELUXE	Chairman & Managing Director	CSR Report 2008
Report 4	MCC	Chairman	Corporate Responsibility 2008
Report 5	EEM	Managing Director	CSR Report 2008
Report 6	TNC	Managing Director	Sustainability Report 2008

INTERVIEWS

Anonymous	Organization	Designation	Qualification	Date of interview/ Duration
Manager 1	PBC	Manager,	Master (Mass	July 15, 2009
		Corporate Communication	Communication)	[58 minutes]
Manager 2	EEM	Manager, Corporate Communication	Degree (Social Sciences)	July 24, 2009 [49 minutes]
Manager 3	AF	Head of CSR Division	MSc. Environmental Engineering	July 27, 2009 [50 minutes]
Academic 2		Former VP of IPRM (Institute PR Malaysia)	Master (Communication Management)	July 28, 2009 [1 hour 6 min]
Manager 4	PBC	VP, CSR Division	PhD	August 5, 2009 [1 hour 10 min]
Manager 5	FOHE	General Manager, Corporate Communication	Degree	August 19, 2009 [1 hour 14 minutes]
Manager 6	DELUXE	General Manager, Corporate Communication	Degree (Political Science)	August 20, 2009 [50 minutes]
Manager 7	PUTRA	Manager, Corporate Communication	Degree	August 21, 2009 [2 hours 9 min]

Anonymous	Organization	Designation	Qualification	Date of interview/ Duration
Manager 8	Mskills	Manager, Corporate Communication	MBA	August 21, 2009 [1 hour 1 min]
Manager 9	MCC	Manager, Corporate Communication	MBA (Corporate Finance)	August 25, 2009 [1 hour 2 min]
Manager 10	PTX	Group Corporate Affairs (Stakeholder Management Department)	Degree	August 28, 2009 [2 hours 43 min] [Presentation]
Manager 11	TNC	Director of Investment	MSc	September 3, 2009 [1 hour 19 minutes]
Academic 1	Public University	Academician cum researcher	PhD	September 8, 2009 [47 minutes]
Manager 12	РВ	Director, Corporate Communication and Business Liaison	Masters (Communication Planning)	October 9, 2009 [1 hour 5 min]
Manager 13	PM	Manager, Communication & Distribution	Degree (LL.B)	November 5, 2009 [1 hour]
Manager 14	UAU	Senior Manager, Marketing & Communication	Master (Mass Communication)	November 9, 2009 [55 min]
Manager 15	KLUX	Senior VP, Communication & External Relations	Master	November 11, 2009 [1 hour 5 min]

^{*}Organizations name have been changed to maintain anonymity

APPENDIX II (a)

SAMPLE OF INVITATION LETTER

Date : Ref :

RESEARCH ON THE ROLE OF PUBLIC RELATIONS (PR) IN CORPORATE SOCIAL RESPONSIBILITY (CSR)

The above matter refers.

I am pleased to inform herewith that I am presently in the progress of completing my thesis on 'The Role of Public Relations in Corporate Social Responsibility' at the University of Stirling, Scotland. The research is undertaken as part of my postgraduate program under the supervision of Dr Jacquie L'Etang at the Department of Film, Media & Journalism.

In summary, my research focuses on the institutionalization of CSR within the selected organization, including its scope and motivations, and subsequently looking into the involvement of public relations practitioners in pursuing CSR practices. Sampled organizations are from those with a long CSR tradition or have accomplished outstanding achievements in CSR which includes your esteemed organization.

Hence, I would appreciate if you could allocate some of your precious time for a personal interview which generally aims to obtain your professional insight on the above topic. I strongly believe that your vast experience in PR will offer invaluable input that contributes tremendously to the research and PR profession as a whole.

For that purpose, I will be in touch with you to set for an appointment at your convenience.

Enclosed are an endorsement from my supervisor, research summary and issues to be deliberated during the interview for your reference.

Your kind consideration and assistance are highly appreciated.

Thank you.

ZETI AZREEN BT AHMAD

Contact No. :+44 07551999780 /

012-3755440

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THE ROLE OF PUBLIC RELATIONS (PR) IN CORPORATE SOCIAL RESPONSIBILITY (CSR)

RESEARCH SUMMARY

Introduction

Corporate social responsibility (CSR) and public relations (PR) are evolving concepts that have no single definition. The diverse definition of the two concepts was evident in the academic literature and discourse. Unlike PR, CSR concept is hard to pin down in view of its rich literature coming from a wide array of academic disciplines such as management, marketing, accountancy, public relations, business ethics, just to name a few. Moreover, the practice of PR and CSR are also manifested in numerous forms and degrees thus varying their concept from one corporation to another. It is imperative to note that akin to PR practice, the socio-economic, political and cultural landscape of a nation has greatly influenced the advancement of CSR. Be Brussel emphasized that 'CSR comes with different national characteristics resulting from diverse cultural tradition as well as heterogeneous social and economic backgrounds' (2008, p. viii). On the other hand, scholars have affirmed that CSR and PR are interconnected in such a way that CSR becomes a tool for PR (L'Etang 1994) and proposed PR as having significant role in CSR and has the potential to take purview of CSR (Kim and Reber 2008; Freitag 2007).

Research Objectives

Despite many claims made on PR potentials in pursuing CSR practice, the empirical evidence on PR roles in the practice remains scarce. In this regards, gaining PR practitioners' insights are vital in order to add empirical evidence in the literature and to provide opportunity for PR to voice pertinent issues which have remained unheard pertaining to their role in CSR practice. Hence, one of the objectives of this research is to critically examine the role of PR in CSR practice by taking into account their experience in CSR practice together with the constraints and limitation. This study will be conducted in Malaysia in view of pervasive interests among organizations in embracing CSR and the new development that currently taking place in the organizational structure; in its attempt to establish CSR division. At this juncture, there is very little empirical evidence found about the state of CSR in Malaysia which makes its future direction impossible to gauge. Hence, this research is designed to address the need illustrated above by responding to the research question developed; how is CSR practised in

Malaysia and why? And what is the role of PR in that practice?. This study will be looking at the nature of CSR practice mainly at the organizational level which among others aims to locate CSR within an organizational structure, to explore the underlying meaning of CSR from organization's perspective, the motivations that drive the practice and the scope of CSR exercise and implementation. It is imperative to note that despite a dearth of specific research on the role of PR in CSR, there are scores of literature addressing PR potentials to perform in CSR through its corporate conscience function (Bernays 1952; Burson 1974; Bowen 2004; Bowen 2007; Bowen 2008), issues management function (Heath 1997), and relationship management function (Phillips 2006a, 2006b).

Methodology, method and sample

The research proposed to adopt qualitative approach in which data will be mainly generated through in-depth interview and documentation analysis. The cases will be from randomly selected organizations among the award winners' list of the Association of Certified Charted Accountant (ACCA) Malaysian Sustainability Reporting Awards 2006 and 2007 (known as MESRA), the Prime Minister CSR Award 2007and Star-Biz award 2008. In-depth insights from PR practitioners on their involvement in CSR programmes, the current challenges and constraint faced by practitioners will be sought. In the interim, data is also generated from corporations' CSR report to supplement to the data from the interview.

Limitations

However, in light of the proposed methodological limitation, the findings of the research cannot be used to generalize the current state of CSR practice in Malaysia but rather to provide a rich description of CSR practices among organizations known to be socially responsible in the country. The same limitation applies to the roles of PR practitioners in CSR which cannot be generalized to a wider population view of a small sample size used. However, it is important to note that the ultimate aim of this research is to offer intensive empirical information on the actual roles of PR in CSR practice from practitioners' perspective.

Conclusion

The findings will be able to shed some reality about PR role in CSR and indirectly contribute to the development of role research of PR in Malaysia which could benefit practitioners, academicians and PR industry as a whole. At the same time, the results of this research may add in the literature on the nature of CSR practice among CSR exemplary firms in Malaysia.

APPENDIX II (c) CONSENT FORM

CONSENT FORM

Resea	rcher	:	Zeti Azreen Ahmad PhD Candidate Department of Film, Media & Journalism University of Stirling, Scotland	
Addre	ess	:	151, HH Donnelly House University of Stirling FK94LD Stirling	
	Please ti	ck i	in the box if you agree with the followings:	
1.			at I have read and understand the objective(s) of the ave had the opportunity to ask questions.	
2.			I that my participation is voluntary and that I am free at any time, without giving any reason.	
3.	I agree to take part in the above study.			
4.	I agree to	o the	e interview being audio recorded.	
Respo	ondent			
(Sig	nature)			
Name Positi		: _ : _		

All confidential issues discussed during the interview will not be published prior to obtaining written consent from the respondent/organization.

Respondent's and organization's details will not be disclosed or published without permission.

Researcher				
Name	:			
Position	: _			
Date	:		·	

All information will be solely used for academic purposes.

APPENDIX II (d) INTERVIEW GUIDE

PR role in CSR:

- 1. How long have you been practicing PR?
- 2. Is your department fully responsible for CSR?
- 3. Does your department responsible for CSR reporting?
- 4. Do you find PR role in CSR significant? and why or why not?
- 5. What is PR main role and contribution in CSR? (based on your experience)
- 6. Do you see any difference between CSR and other PR strategies?
- 7. What would be lacking if CSR is not being spearheaded by PR?
- 8. What is your comment about organizations that separate CSR from PR? (e.g. having an independent department for CSR)
- 9. What are among important skills and knowledge for PR to take charge of CSR?
- 10. What are major constraints that you have experienced in the pursuing CSR practices?

How CSR being practised in the organization?

- 1. How long your organization have been championing CSR?
- 2. What is the niche area of your CSR?
- 3. Who are the CSR recipients?
- 4. Do you have any CSR policy in place?
- 5. Does your company publish CSR report?
- 6. What motivate your organization to pursue CSR practice?
- 7. How CSR does reflect in your day to day business?
- 8. How often CSR programmes being evaluated?
- 9. How do you evaluate each programme? And why?
- 10. Does CSR have impact on your organizational success?

SAMPLE OF CODED INTERVIEW TRANSCRIPT - MANAGER 1

ORGANIZATION: PBC

DATE : JULY 15, 2009 / WEDNESDAY – 10.00 AM

INFORMANT : [MANAGER 1] CORPORATE COMMUNICATION

DIVISION

VENUE : PBC HEADQUATERS, KUALA LUMPUR

DURATION : 58 MIN 26 SEC

(00:05)

If you can elaborate a little bit of your background and experience with PBC in Corporate Communication division.

(00:13)

I start.....work with PBC in 1989 with a very junior post, they called it temporary executive, at that particular time [emmm...]. At that particular time, the PR department is called Corporate Affairs dept. Then [emm...] ...after 6 years I took one year unpaid leave to pursue my master in Mass Communication in Leister UK. Then after a year I came back join the same organization, with the same position [laugh] with the same salary scale [laugh]. In 1995, I ... I left PBC for University Malaysia Sarawak UNIMAS as a lecturer and 2002 PBC called me back to lead the department so I am here now for ,...all in for about 15 years. [practitioner's working & experience qualification]

[(01:20)

Basically what is the main function of Corporate Communication division in PBC at present?

(01:38)

At present the Corporate Communication is quite different from other organization if you make comparison. Some of the important function of Corporate Communication has being transferred to other department [aaa...]. Basically due to the quantity of work ...I guess..., last 2 years PBC has decided to move CSR for example to another department,.. a new division which is called CSR department. All CSR programs are parked under that department. [PR constraint/formation of CSR department]

(02:28) In terms of Corporate structure is PR reporting to CSR or does Corporate Communication at the same level with CSR department?	(02:33) Same level, they (CSR dept) are under the education division. It has a division of its own. Whereby we are parked under Corporate and International division. [Corporate structure]
(02:56) Before the establishment of CSR division, Corporate Communication used to handle all CSR activities for PBC?	(03:05) Yes. We handled all CSR programs, because the CSR activities take a lot of our time and we are involved with many CSR programs, so the management decided to establish a new department. [PR constraints/resources]
(03:19) When did CSR program first started in PBC?	It started very long, long ago[laugh] As far as I can remember we start with a program 'called <i>Bijak Sifir'</i> (Smart Math) which is in 1994 from that' <i>Bijak Sifir'</i> where we tried to inculcate interest in mathematics. We worked closely with the Ministry of Education, from there we start [aaa] with adopted schools, this 'Bijak Sifir' was being upgraded to a TV program – called 'Along Bijak' (Smart Along) – there are so many other things other than that. We tried to champion mathematics at that particular time and we are still doing it.[CSR practice/ a long term commitment/ dimension – education]
(04:26) What motivate PBC to pursue CSR in the first place?	I think judging from the program which start from the mathematics [aaa] the interest of mathematics, we tried to relate mathematics and PBC. So, by instilling the interest for mathematics I think people can easily relate how important mathematics to PBCand perhaps to assist the school children who are weak in mathematics trying to make them to have more interest in mathematics. [Inspire interest in Math/nation development/motive]
(04:59) Besides to inculcate mathematics among school students. Does the program also serves to promotes PBC further? Or branding PBC in some way?[image/motive]	Yes it is! [CSR and brand/image] Instilling mathematics does not end there. We actually have continuous program, whereby we focus on pre-school, primary school and secondary school — there are stages. [CSR programmes/target recipients]

(05:39)(05:51)Does PBC people go to the ground to facilitate the We have somebody [aaa..] an agency appointed for program? this program. But monitoring content wise - all controlled by Corporate Communication people. [PR role in CSR] Is that program is still going on? We have stopped the TV program just because we want to revise and revisit the content and we might be launching the same TV program but with the new image very soon [image building]. That is for pre-school and primary school. But for secondary school we also have orator program / whereby students [aaa...] are asked to talk about the importance of mathematics, the importance of saving, the importance of investment. For university, we have investment quiz and we also have investment quiz for secondary school. These programs are being done every year - throughout the year.[CSR programmes/target groups] (07:24)Basically CSR through this education effort was done from pre-school until they retired - [CSR target recipients] For the pensioner we have a program called 360 days seminar. Whereby every day without failed in Malaysia we have at least one seminar being done. For example we have seminar going on in the church for the Christian and during Christmas,.. we also organize seminar on investment in the mosque during hari raya. Without failed [lah...] without considering public holiday, we still have one program [CSR practice/continuous effort/target groups] (08:19)The corporate communication assists the program by getting publicity, preparing speeches for the

CEO. Basically we will make sure all programs are publicized properly.[PR role in CSR/publicity]

(0.0.0.1)	1
(08:34) How many people do you (Corporate Communication department) have at that time?	The department is growing ,when I started there were not more than 15now we have 23 people
	and still not enough! [laugh]. We still looking for English writer, marketing communication executive
	and web master[Size of Corporate
	Communication department]
(09:07)	
I saw you have published the CSR report recently	Yes,we have CSR report, we tried to do this yearly. But this is the first one which was publish two years ago. The report is prepared by the Corporate Communication department.[PR role in CSR/reporting CSR]
(09:31)	(09:35)
Does the report get distributed to PBC's stakeholders?	The report is distributed to all investors [CSR report target audience] (09:46)
	I don't know whether it's good to say or not to saybut
	All these while we are doing a lot of CSR but we are quite a different organization whereby we do
	CSR but we don't like to publicize our CSR. [Communicating CSR/low key]
(10:05)	(10:10)
So what is the motivation of doing CSR? As some	The management at that particular time decided to
companies do it for publicity purposes.	you know they more towards the Malay
	culturethey like to do but they don't like to
	tellbut they (the management) [communicating
	CSR/low key/culture] like people to know by
	themselvesthrough whatever meansbut now the
	management has decided to publicize whatever we
	do (so this practice has changed). [communicating
	CSR/implicit to explicit]
(10:29) How do you publicize your CSR programs?	(10:35) We use CSR report and publicity through the print
frow do you publicize your CSK programs?	media . We normally just invite the media to cover
	CSR programs.[communicating CSR]
	Cor programs.[communicating CSK]
(10: 53) Base on your experience, you have handled a lot	(11:06) I think there are many success storyfor example
of CSR programs. Which program do you	the orator program, every year we can see some
perceived as PBC success story in CSR?	development whereby the way students explained
	topic on investment there seemed to be some
	change like from lesser knowledge to more
	change like from lesser knowledge to more

	knowledge on investment. Every year there's some
	upgrade in terms of knowledge. [CSR evaluation]
	(11:38) Another program is 'Minggu saham amanah
	Malaysia' (Malaysia Unit trust week) we can see
	the success by judging from the questions asked
	by the investors. Last time investors used to asked
	'why the dividends is low? why not high?but now
	they (investors) can appreciate the economic
	situationThey can easily relate why PBC gives
	low returnthey know the explanationwe judge
	that as our success story[CSR
	Evaluation/informal]
	_
(12:10) So, in a way PBC did evaluate its CSR programs?	(12:13) Yes, we evaluate by doing some interviews, we tape it and do some report.[CSR evaluation]
	(12:24)
	Another success story, is 'Pusat Komuniti Pintar
	(Smart IT center)'. [aa] We have one in Pekan,
	Kedah and Kelantan is coming soon. [CSR
	practice/nationwide]
	We build a building that served as IT center . We
	have a hall and small library. The community there
	can make full use of the facilities.
	The different between our center and others is that
(13:47) How is the feedback towards the program?	we have one [aaa] dedicated staff (a full time
flow is the recuback towards the program:	staff) stationed at that place to make sure the center
	is fully utilizedhaving many programs with the
	people. The staff has some IT background. One of
	the main objective is to make sure the people in
	rural areas know how to use IT facilities. CSR
	dimension/target group/rural]
	(13:55)
	The feedback is very goodthe village people
	nowadays can at least know the Internet and they
	can appreciate what their kids are being
	browsing and the makcik-makcik (aunties) can use
	the facilities to do the cooking classes, the
	motivation classes. From time to time we sponsor

	drawing classes or motivation talk. [CSR impact/recipients]
I'm sure all programs are being designed based on certain needs besides considering your company objective or vision. Is there research being conducted by Corporate Communication department?	[14:41] [aaa] We have thought about that in fact we almost hire a company to do researchbut we have not conclude the appointment. Research is one of the important task but I haven't look into it. [CSR practice/research] But CSR department they have a team doing simple research. When they do some programs, they will do simple questionnaires after the program and before. They want to see what's the understanding before and after every program.[CSR Evaluation]
(15:19) From my observation and research about PBC, your approach of CSR is quite different from other companies where some companies started of by doing philanthropic programs, like charity, donation,But PBC incline to do more educational program compared to philanthropic programs.	(15:32) We also have (referring to philanthropic activities) but we don't expose to people [communicating CSR/less disclosure] We have a lot of sponsorshipsthe different between us and other organizations is that we don't tell people. I think [aaa] this is another story We are an organization that do not want to be associated to any political partythat is why we decided not to expose all these things.[communicating CSR/low key CSR/political] We are the only organization that there is no interruption or no [aaa] political party involvedeverybody come from the low rank. [Communicating CSR and political motive]
(16:25) What is the main role of PR in CSR?	(16:46) Everything is handled by CSR department now. Our department is just on the approval side, when CSR want to do launching we have to make sure that the event is in line with our image and identity[PR role in CSR/image]. For example, like when a minister want to launchthe gimmick that the minister has to do has to be portrayed as

	intelligent not simple-simple thing![PR role in CSR/image]
(17:20) Does that happened to all CSR programs initiated by CSR department?	Yeswe monitored all. And the speeches have to be in lined with our mission and vision of the company [PR role in CSR]
(17:31) Is there any CSR policy for PBC?	I think CSR department has some policy. The policy is handled by them. They have a standard policye.g. policy like who to donate/sponsor, what kind of amountetc [CSR policy]
(17:56) Is there any contribution from Corporate Communication towards the policy formulation?	No. Totally by CSR department. Our side is only to recommend them that whatever they do Corporate Communication can assist them in terms of <u>publicity</u> side.[PR role in CSR/publicity]
(18:26) What is the main intention of having CSR department? Because you have been doing CSR activities so well, it has been continuous, why PBC need to form a CSR department?	(18:36) I think the main reason is because we have a lot of CSR programs whereby most of the time spent outside the office, but we also have to look into internal things. That's why the management decided to take it out from Corporate Communication department. [PR constraints] Frankly speaking our CSR activities are much more than other company (off the record)
(31:18) So, the amount of workload seemed to be the main reason why PBC decided to establish CSR department?	Too many yes!because it's a lot [PR constraint]
(32:20) The people who are leading CSR department, are they from communication background?	No!. In PBC it is quite interesting. Most of us,what they learned in university is totally different from what they do. In PBC they don't care about your degree is just they need 3.0 CGPA requirement. As long you can be trainedwe only have 9-10 communication graduates here. The rest coming from different specializations. [PR knowledge & skills]

(34:30) Based on your experience, how CSR benefits PR?	I think the relations is on image because when we assist [aaa] in CSR in terms of publicity when the story come out in the paper, people started talking about PBC, what PBC do, what have been done [CSR as PR tool] From our observation, when we launched product for example [aaa], we don't have many problems,people support us. In fact [aaa] we launched few products, most of the products can be sold within 30-40 minutes that shows the support from the people.
(38:15) In a way you are saying that you are promoting PBC through CSR program besides using normal advertising?	(38:21) I think there is some relations, but we don't do any research yet on that . But the support seemed to be very strong especially among the non-Malays [CSR promotes image/motive]
(39:03) Based on your personal experience, how does CSR contribute to your career growth as PR practitioner?	I think when we do CSR for the school [aaa]by not doing any research we can actually observed from the request received from the Ministry and Department of Education they keep on asking us to add on more school to be our adopted school. It shows that CSR is very important. [CSR driver/government request] One of the different between our CSR in school, we have allocation for a society in a particular school compared to other companies CSR who normally sponsor the school at one go. But we have continuous relations.[relationship with society]
(41:46) Is there any constraint on the part of PR in doing CSR?	(42:03) At the moment, I don't see any problemI can't think of anything yet!everything is fine, we get publicity, we can write speeches for the ministers [PR role in CSR]
(43:21) Do you agree if I conclude that PR is capable to pursue CSR?[PR competency to pursue CSR]	Yesyesno problem [PR competency to pursue CSR]

(45:35)	(45:53)
Corporate Communication is no longer heading	Emmmnot to say no input at all. But
CSR program. Do you see any flaws to the CSR	[aaa]although CSR dept is separate from
program since the input of PR is no longer	Corporate Communication dept. We still have
included?	some say in any event done by them. Because of
	our President /CEO always insist that all programs
	must be approved by Corporate
	Communication,whatever content of the program
	must have some input from Corporate
	Communication and we are called for many
	meetingsour role is still there although we
	are no longer the master mind for CSR programs.
	Our inputs are needed. [PR role in CSR]
	our inputs are necessary.
(48:04)	
What will happen to CSR programs without the	Perhaps when they do program they won't look into
input from Corporate Communication?	the image, identity when we do things. Being the
input from corporate communication.	pemegang mohor (the keeper of the ruler's seal)
	[laugh],by looking into image and identity, our
	role is very significant. [PR role in CSR/image]
	For example, the usage of logo, without our control
	the usage of logo in many materials will not be the
	same. There will be many versions of logo. We are
	actually in the process of changing the logo.
	Currently we are busy with rebranding, that's why
	we cannot focus on CSR [laugh] we have a lot of
	things to do! [laugh] [PR constraints]
	unings to do: [laugh] [l K constraints]
(52:04)	
Is there any different between PR and CSR	Well,we support one another [aaa]. They are more on activitiesmore like PR per saydoing programs. What are the differences ?? (laughsounded uncertain) basically the sameBut from my observation most companies in Malaysia leading towards separating CSR from PR. They want to show that CSR is very importantand there should be one specific CSR department. especially like Khazanah, like UMW also have CSRbut their CSR is under Corporate Communication. [CSR resources/ CSR department – signifies greater importance to CSR]
	Judging from meeting I attended with Khazanah,you know Khazanah keep on

	suggesting things do this do thatif everybody follow what Khazanah recommended,CSR department will be very busy, with events, especially with researchthey have a very well planned items for CSR especially on the procedure, the SOPthey are very into details for CSR.[CSR department/CSR resources]
Off the record information	

APPENDIX III (b)

SAMPLE OF CODED EXECUTIVE MESSAGE

Publication : Corporate Social Responsibility Report

Foreword Chairman

Size : One full page

Location: Immediate after table of content

A successful organization is not only measured through its ability to generate profits and returns to its shareholders, but one that is able to contribute towards the well-being of the community [Commitment to success]. PBC, the nation's premier investment institution [elite status] has been active in conducting a number of activities, either education-oriented or providing contributions to the needy, to activities and sponsorships as a contribution to the nation [Contribution to the nation] The implementation of these community-related activities, or better known as 'CSR' is an approach undertaken to achieve better relations between the organization and the society [Relationship with society]. I would like to take this opportunity to congratulate PBC's management, its employees and subsidiary companies who have joined efforts to ensure a successful implementation of the activities. My heartiest appreciation to the Government, State government, government agencies, the private sectors and everyone, who without their support, would not have made this objective a success. Since its establishment, PBC has conducted many activities and programmes that give focus on all levels of. PBC hopes that the effort will help to stimulate the interest of the people in specific areas and at the same time help to lessen the burden of the unfortunate [Stakeholders]. This CSR report reflects all the efforts undertaken by PBC throughout the years. I hope the publication will help spur more interest in the activities and at the same time attract more participation from the corporate sectors to make CSR programmes a success

SAMPLE OF CODED EXECUTIVE MESSAGE

President and Group Chief Executive of PBC

(Foreword)

Size : One full page

Location : Immediately after Chairman's foreword

The practice of CSR has been an integral part of PBC's culture as we have made it as an obligation for PBC to give back to the community as well as the investors [CSR practice/as business culture CSR has been implemented as one of the basic components in business practice [CSR as part of business] as we strongly believe that business operations should not be based on merely on profit. We are fully aware that business is not all about reaping profits, but also very much related to the values of humanity [Commitment beyond profit]. Hence, in its commitment to the CSR practice, each year PBC strives to provide a variety in its activities to ensure all programs implemented will fully benefit the community. PBC CSR programs can be divided into four major components that comprised an integrated education programme, caring activities through PBC Endah program, uplifting arts and culture and supporting national agenda CSR practice/dimensions. PBC will continue to develop suitable CSR content to ensure better and systematic CSR programme in the future. We hope that these CSR programs will enhance the brand image of PBC in the country [Brand image/CSR motive]. Corporate social responsibility of better known as CSR is a reflection of a caring organization's concern towards the society. As an institution entrusted with the responsibility to balance the society's economy through a fair distribution of the country's wealth, PBC also played a role in implementing social and community related activities in various field [Commitment to society]. PBC, one of the country's leading investment institutions play an active role in implementing social and community related activities [Elite status]. This effort is formulated to benefit all levels of society through its various nation building agendas [nation building]. Such initiatives serve as a long term strategy deployed to build a strong and lasting relationship between PBC with its customers and the general public [Relationship with stakeholders/CSR motive]. In realizing this objective, PBC aims for a broad participation from all levels of society. Various activities have been organized which focused on the areas of education, caring activities programme, promoting arts and culture and supporting national agenda [CSR practice/ dimensions]

FIVE CATEGORIES WERE FORMED AFTER THE REFINEMENT PROCESS

Topics	Categories
CSR as business strategy	CSR MOTIVES
CSR and image	
CSR and publicity	
Relationship with stakeholders	
Economic pressure	
CSR and reputation	
CSR and nation building	
Elites' role in CSR	
Contribution to the nation	
CSR commitment to society	
Values and religion	
Compliance to regulation	
PR constraints	PR COMPETENCY AND RESOURCES
PR knowledge and skills	TR COM ETERCT AND RESOURCES
CSR resources	
PR practitioners' experiences	
The practitioners experiences	
Communicating CSR	CSR AS CULTURAL PRACTICE
CSR and culture	
CSR evaluation	CSR CONCEPT AND PRACTICE
CSR approach	
CSR dimension	
CSR policy	
Employee involvement	
CSR recipients	
Commitment to success	
Commitment to change	
	PR ROLE IN CSR

EMERGING THEMES FROM CSR MOTIVES CATEGORY Three dominant themes emerged:

- Business case
- Nation building
- Personal values and religious values

Source	Segments/Quotes	Recurrent terms/ concepts emerged	Dominant Themes
Report 1	PBC, the <u>nation's premier investment</u> institution, has been <u>active</u> in conducting a number of activities, either education-oriented or providing <u>contributions</u> to the <u>needy</u> , to activities and sponsorships as a <u>contribution</u> to the <u>nation</u>	Elite status Contribute to the nation	Nation building
Report 1	PBC, one of the country's leading investment institutions play an active role in implementing social and community related activities. This effort is formulated to benefit all levels of society through its various nation building agendas.	Elite National agenda	Nation building
Report 1	As an institution entrusted with the responsibility to balance the society's economy through a fair distribution of the country's wealth, PBC also played a role in implementing social and community related activities in various field.	Entrustment Fair distribution of nation's wealth	Nation building
Report 1	Such initiatives serve as a <u>long term</u> strategy deployed to build a strong and <u>lasting relationship</u> between PBC with its customers and the general public. In realizing this objective, PBC aims for a broad participation from all levels of society'.	Strategic	Business case
Report 2	We are also proud of our contribution to the growth and development of Malaysia and the <i>Rakyat</i> , its people-who are also stakeholders in our company due to our ownership structure but more importantly due to the contribution we can make to them through our operations and services.	Growth Development of the country Rakyat (Malaysian citizen) ownership	Nation building

Source	Segments/Quotes	Recurrent terms/ concepts emerged	Dominant Themes
Report 2	As a public listed entity, additional requirement by Bursa Malaysia Securities and the Securities Commission have been incorporated into the Group's corporate and operational processes to enhance operating efficiencies and sustain growth.	Conformity to laws Efficiency Growth	Business case
Report 3	Our relationship with road users is of utmost importance in the development and success of our business going forward. Good customer relations will enhance reputation and public trust in our management approach and style. This in turn will allow us to develop new ideas for generating business opportunities as well as helping build a relationship in which we can promote our core messages of safety, efficiency and environmental management. Building these relationships will be central to our future success in Malaysia in our existing and new concessions overseas	Relationships Success Growth Reputation Trust Business opportunity Efficiency Future success	Business case
Report 3	This is where we see our main social contribution. By building and managing high quality expressways and highways we are adding value to the infrastructure of the nation and helping to underpin the success of Malaysia's social and economic development	Value to the nation Social & economic development	Nation building
Manager 10	Basically PTX is born to serve the nation. (Showing corporate video). We were established in 1974 under the company act of 1965.PTX is wholly owned by the Malaysian government, we do not come under any Ministry, we report straight to the Prime Minister. Basically, PTX has invested the trust and control of Petroleum resources in Malaysia and basically we try to add value to this trust and how we manage it must be in a way that will give return back to the nation. 'As a business, we have the responsibility to contribute to the nation and government, that's our job. And socially, it is also our job to educate and improve the capability development of Malaysian. And we are driven by our own shared values in addition to the commitment of long term and sustainability	Serving the nation Elite /ownership Add value Entrustment Nation Government Shared values Commitment to sustainability	Nation building

Source	Segments/Quotes	Recurrent terms/ concepts emerged	Dominant Themes
CSR report 4	We are also <u>conscious</u> on the fact that <u>society</u> is becoming more <u>sophisticated</u> and <u>aware</u> in articulating its <u>expectations</u> of the private sector. Not only we do embrace this <u>trend</u> , but we at MCC see it as an <u>opportunity</u> to reveal more of our long term business environment in a transparent manner	Business awareness Societal expectations Trend	Business case
CSR report 5	Thus, we have developed our own sustainability policy in conjunction with this 2008 Report focusing on creating value for our customers and businesses while improving our efficiency.	Sustainability policy Customer focus Efficiency	Business case
Report 6	we insist that our equipment suppliers continuously work to improve their technologies, not just because we demand it, but also due to the big consumer push for it	consumer's driven	Business case
Manager 13	(15:13) I think its being an <u>asset</u> to the communities we work and live in. We still manufacture a legitimate product we sell legitimate product in our market. Yes, it is highly regulated but we still have communities that we work and live in. For instance our factories are located all around the world so for instance in Seremban we should be not just ok, we have factory we contribute to the nation FDI but hey!, what about the people? Our employees also expect a lot of the	asset	Business case
	company. Employees want to be responsible. We want to give back to the community. And one way to do it is through CSR initiative I think the most important thing is to be an asset because most people see a company coming in and they said ok, its job. That's one thing. That part of CSR by the way giving job to the community. But over and beyond that, its giving back in any little	nation	
	way that you can.	asset	
Manager 8	CSR in Mskills is like our tools of marketing, our tools to get everyone together and tools for us to communicate with the general public and to create a brand.	tools marketing communicate brand	Business case

Source	Segments/Quotes	Recurrent terms/ concepts emerged	Dominant Themes
Manager 15	In KLUX, it's unique, as you know it's a stake investment arm of the government so, we are a unique organization in a lot of ways, we're not a normal corporate organization. [aaa] CR work that KLUX do is a national level corporate responsibility .So, we actually have a unit on its own and it is a very big unit within KLUX because we're not only do CR for KLUX, but we also do CR for the nation in the area of education.	Elite National level Nation building	Nation building
CSR report 6	I personally feel obliged to make changes because of the awesome responsibility of knowing my children, grandchildren and great grandchildren will suffer because we did not do anything in our generation to correct our habits.	personal conscience obligation change awareness	Moral conscience
CSR report 6	I have always felt that we have a personal responsibility to get involved where possible, especially since we have received a bounty of God's blessing over the years, and observing how we were fortunate to have prospered from a small construction company to an infrastructure conglomerate with reach across the globe. Hence, at TNC, I trust that we continue to do our part in running the good race by continuing to adopt sustainable practices and corporate responsibility in all that we do.	personal conscience grateful of God's blessing	Personal conscience Religious values
Manager 12	'when I say that this need among CEO is inherence in them that if they do well they want to share a little bit of their success and there is a religious ties to this I think, because from time in memorial you know everyone belief in God and everyone who belief in God especially the people of the book. They know that it is their responsibility. I meanI remember even like when I was growing up, you talk about in a family my mom was not working but every Friday she would cook rice a piece of meat, cucumber, pickled cucumber, do it herself, wrapped in banana leaf and sent 50 packs to the mosque. Everyday throughout her life. What was her profession? She was a homemaker. Sometimes she did tailoring you know. She may earned small money	inherence values religious believer people of the Book Friday Mosque	Religious values

Source	Segments/Quotes	Recurrent terms/ concepts emerged	Dominant Themes
	and yet she had this feeling about giving. I think God has put it in on all of us whether we realize it or not. The need to give back.		
Manager 12	(24:19) Is CSR a culture of your organization? (24:30) No, no, no. I think PB thanks to the founder and his personal values and the culture that he preaches. We've been doing it from the beginning. And it has grown, progressing.	Values of the founder Culture preaches	Personal values
Manager 15	I mean, as a Muslim (I'm speaking as a Muslim) everyone has their own faith, it's not morally right as well for you to engage in something that ad-hoc or abusive or selfish manner because that particular beneficiaries will be depending on you! So, you need to be very clear, you need to be responsible about your commitment to your community.	Muslim Faith Genuine commitment	Religious values
Academic 2	'They'll go in there only because the ultimate gain is to be <u>recognized</u> among their peers or perhaps differentiation above the others in the industry or perhaps at the global basis and for others of course, I would say, the <u>ego hunters</u> among the drivers in the corporations. They probably get their Tan Sri ships or <u>CEO's recognition</u> as a result of that.	recognition/personal interest Tan Sriship /social status	Personal interest/low morality
Manager 2	Is there any external pressure from outside that pushes EEM to pursue CSR? Like the environmental groups or NGOs? 17:30 NGOs no! It is more on our own self in the past it is actually also driven by the group's mother company because we are all GLC but the message to us in the last 5 years we have to transform ourselves we can no longer just depend on government so called niches to do business	Elite Transform Independent from government support	Business case

Source	Segments/Quotes	Recurrent terms/ concepts emerged	Dominant Themes
Manager 13	(18:30)Interviewer: Ok. Right. So as you mentioned just now as a higher regulated business you do feel that CSR has helped PM to operate and in order and to be more competitive? But do you also agree that CSR is a tool to secure a license to operate?	licence to operate	Business case
	(18:48) Tool? I don't know. I don't like to see it as a tool. [aaa] I think its important. I don't think that everybody does it. License to operate? It shouldn't be. It should be regardless. It should be something that essential. It should be part of your operational policy that you must do CSR. I don't know how that work but I think it should become [aa] I think, part of the company policy that from the start when you set up a company. when you decided to open a company CSR should be one of the thing that you do. Whether its a big way whether its small it doesn't matter, but CSR should be important. I think what happen in a lot of companies is, you set up business you think about the bottom line. Yes, bottom line all is good but if you don't build the relationship with people around you, with the communities around you how do you actually secure yourself?'. So while people might said its a tool or a license I like to take it as it essential	Essential Operational policy Part of company policy Important Secure Essential	
Manager 6	(25:43) What is the main motivation of doing CSR for DELUXE?. Does it have anything to do with the nature of your business?		Business case
	(25:53) Nature of our business, yes!. It is our interest. As I mentioned road safety is our main platform. But the same time I think management is also mind full that now a lot of potential investors are looking at the CSR element before they actually put money into your company.	Business interest Attract investment International investors	
	(26:11) And you are referring to international investors?		
	(26:17) International. Ya, international investors.		

Source	Segments/Quotes	Recurrent terms/ concepts emerged	Dominant Themes
Manager 5	30:48 sec What actually make the management of FOHE or what really motivates them to pursue this kind of CSR program? Well,nothing has been said,but we can say that having them ready to start off with working life to meet our requirement that is the gist of itbecause I think as I mentioned earlier there is no other colleges that provide the same as what we are doing with these studentsso it is as and when we expand our business yes!we can call the studentsbut we don't commit to MOHE we don't commit to take them. But as and when we need the students,we can call them up.	Business requirement Business needs	Business case
Manager 8	'We are doing CSR <u>nation building</u> for the country to fulfill the requirement for healthcare manpower which has been shortage since independence.	Nation building	Nation building
Manager 14	CSR is wider in scope. A lot of companies are now linking it to business point of view. Why you go into this CSR? At the end of the day to be frank with you, as a corporate organization bottom line is how much we are going to make at the end of the year. Whatever activities that are organized be it public relation, be it marketing, be it sale how much would that contribute to bottom line. That CSR we look at it as part of corporate philanthropy activities to a certain extent but bottom line how it will that contribute to the business.	bottom line	Business case
Manager 3	In terms of motivation, what motivates AF to do CSR program? (19:34) Our vision is to become a leading environmental management company. The purpose is to create a very healthy environment to live in. Whereby personally I see that human beings and environment cannot be separated. So if we want to have a sustainable living, I think	Vision Industry leader	Business case

Source	Segments/Quotes	Recurrent terms/ concepts emerged	Dominant Themes
	everyone have to work together towards this goal. So, CSR is part of the method or a way for us to get the involvement from the public. Besides than us doing the job, we also get the public to work with us to make this environment a sustainable living. So, for me it's a very important part.	Public support for sustainable living	
Manager 11	Talking about all these sustainability efforts of TNC do you think it's contribute back to the image and reputation?		
	Oh yes, definitely. I think it boost up the credibility but we're not in need for that. We in it for our own survival too. Like I saidyou know, you either debt to principles and business that will shape your future or you don't. I think sustainability has already becoming a mainstream thing for many companies. You have something called the carbon disclosure project, for an example, that exist. And companies, they volunteer, they can actually volunteer to disclose the emission in sort of global sort of groupand I think they are launching the Asian wideone in Hong Kong soon in three months time You know, there are efforts to do thisis like the degree of which the direction that you're taking ityou can choose not to do it but like I said, we're doing it for the survival aspect too not just good to have	Survival Mainstream practice Voluntary practice survival	Business case
	21:11 So, it's like a win-win situation. You will gain, your business will gain. 21:15 Definitely. We are very <u>visionary</u> in that sense. We <u>don't want to be a laggard</u> in terms of this. So, we actually do even more and take more precautions to prevent it because it's a <u>risk!</u> . If you don't factoring the climate change, you don't factoring sustainability, <u>you are going to lose out!</u>	farsighted instigator risk Survival	