

**RELATIONSHIP BETWEEN MANAGERS' AWARENESS AND
PERCEPTION WITH CSR IMPLEMENTATION OF SMES IN WILAYAH
PERSEKUTUAN PUTRAJAYA, MALAYSIA**

By

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KUALA LUMPUR**

**Project Paper Submitted in Partial Fulfillment as the Requirement for the
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Abstract of project paper presented to the Senate of Infrastructure University Kuala Lumpur in Partial Fulfillment of the Requirement for the degree of Master in Communication Degree in the Faculty of Arts, Communication and Education.

RELATIONSHIP BETWEEN MANAGERS' AWARENESS AND PERCEPTION
WITH CSR IMPLEMENTATION OF SMES IN WILAYAH PERSEKUTUAN
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Managers' awareness and perception are crucial aspects of CSR implementation in SMEs. CSR reporting has been an important agenda in companies since 1950s. According to The Star in 2016, SMEs contribute up to 37% to gross domestic product (GDP) and the Malaysian government predicts that this value can rise higher in years. This study is aimed to examine the relationship between managers' level of awareness and perception with CSR implementation of SMEs in Wilayah Persekutuan Putrajaya, Malaysia. This research used quantitative survey method to approach data collection on 101 managers of SMEs in Wilayah Persekutuan Putrajaya, Malaysia. Social Cognitive Theory is engaged in this study to evaluate if standard guideline successfully played its part in inducing SMEs towards CSR implementation. The findings of this study found that managers' level of awareness has no significant relationship with CSR implementation in SMEs. However, managers' level of perception has significant relationship with CSR activities execution in SMEs. Policy makers may use the findings of this study to create awareness of how importance CSR activities execution is through the right medium of short courses that managers require to attend before opening the business.

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APPROVAL

This project paper was submitted to the Senate of Infrastructure University Kuala Lumpur (IUKL) and has been accepted as partial fulfilment of the requirement for the degree of Master in Communication. The members of the project paper Examination Committee were as follows:

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DECLARATION

I, Nur Amira Binti Mohd Fauzi certify that this project, entitled "**Relationship between Managers' Awareness and Perception with CSR Implementation of SMEs in Wilayah Persekutuan Putrajaya, Malaysia**" is the product of my own research and work, any ideas, quotation from the work of the other people which already published or otherwise are fully acknowledged in accordance with the standard referring practices of the discipline.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

Corporate Social Responsibility (CSR) is defined as company's responsibility towards both environment and community in which the company operates. According to the father of CSR, Howard Bowen, in 1953, CSR is defined as "the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society" (Acquier, 2012). CSR plays an important role in influencing all aspects of a company's operation (Hasan, 2016). In other words, CSR is a business approach that contributes to sustainable development by delivering economic, social and environmental benefits for all stakeholders.

CSR plays vital role in both company and stakeholders, where, it grants win-win situation for both parties. For instance, company can improve its public image through monetary donation, volunteerism or build strong partnerships with non-profit organizations. These kinds of activities will enhance company's reputation although company might need to allocate certain amount of money at the first place in performing these activities.

By publicizing the efforts and letting the public know about its philanthropy, company may increase its likelihoods of becoming favorable in the eyes of consumers. Consumers will be impressed and develop positive brand attitudes toward the products (Wang, 2014). This research can be one of the references and guidance for SMEs in Malaysia in projecting their CSR activities in order to maintain sustainable growth of performance.

1.2 Background of Study

CSR reporting has been an important agenda in companies since 1950s with different aims. Back in 1950, CSR is aimed to be responsible to society. The focus evolved in

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