

Barriers of Corporate Social Responsibility Implementation in Port and Shipping Industry in Malaysia

Anbalagan Krishnan¹, Selvi Narayanan^{*2} and Prem Lal Joshi³

¹Curtin University Malaysia, Sarawak, E-mail: anbalagan.k@curtin.edu.my

²Faculty of Business, Finance & Hospitality, Mahsa University, Selangor
E-mail: selvi.n@mahsa.edu.my

^{*}(Corresponding author)

³ICSSR Senior Fellow, India, (Former Professor of Accounting, MMU Malaysia & UOB, Bahrain),
E-mail: prem@acadjoshi.com

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ABSTRACT

Corporate Social Responsibility (CSR) is a main path for companies to react to the societal requirements in the surroundings in which they operate. The interest of CSR initially developed in line to the society's growing concern for the environment, human rights, ethical values in business, and for other social aspects. Various firms facing increase in burden to perform in a publicly responsible way and they create codes of ethics, circulate CSR statements and reports, and invite in stand-alone assessors to evaluate the execution of their CSR procedures and practices. This research makes an attempt to identify the aspects upsetting CSR implementation and various barriers encountered by the port and shipping industry in Malaysia. Data had been collected through questionnaire survey, interviews and together with secondary data (library research). Data was analysed using SPSS. Using multiple regression, the study reports that there are various factors impede CSR implementation such as cost, regulations, stakeholders' willingness and environment. Besides that, the port and shipping industry is faced with many challenges such as lack of resources, lack of strategic vision, lack of measurement systems, low willingness to pay for CSR and high regulatory standard in implementing CSR which has divided into firm-specific and industry-specific barriers.

Introduction

Corporate Social Responsibility (CSR) is the main way for companies to react to people's social requirements in the setting they work in. There are several schools of thought regarding the motivations behind the CSR

activities of a company. It is often recognized that CSR operations target clients and community members (Mensah, 2017). Businesses are facing tremendous pressure from stakeholders to become more socially and environmentally accountable (Gross, 2014). Additionally, they are also forced to concentrate on creating a stronger knowledge of how employed people impact company results such as productivity and profitability. As the operations of the organisations impact the life of the community, stakeholders and the entire society as a whole and stakeholders are therefore expecting greater accountability from the businesses.

Modern business organizations face increasing pressure to act in a socially responsible way and develop codes of ethics, publish statements and reports on CSR, and call on independent auditors to evaluate the implementation of their policies and practices on CSR (Magdalena, 2016). However, the connection between CSR and firm performance was a contentious issue among academics as there was no agreement on the effect of CSR would have on firm performance (Marwan, 2015). Business organizations, clients, shareholders and other stakeholders, however, have shown interest in CSR as it is argued that socially desirable actions have a positive impact on the economic results of a firm (Turcsanyi & Sisaye, 2013).

The shipping sector is the most extremely controlled sector of all relative to land-based sectors. The International Maritime Organization (IMO) and the International Labour Organization (ILO), together with a substantial amount of maritime organizations (Hamad, 2016), are the shipping industry's leading regulatory bodies. Each nation also has its own shipping sector laws and policies. As a consequence, a majority of organizations implemented CSR into their company operations and extended their CSR operations to stakeholders through different channels.

Challenges

CSR is a basic possibility for organizations to respond to the social requirements of people in the environment in which they operate. A developing interest for CSR has been seen among the analysts and experts in the past couple of decades. The concept behind CSR is that organisations should attempt to attain a balance between accomplished earnings and spending by maximizing the beneficial impact and minimizing the adverse impacts in gaining the contribution to society (Obeidat, 2016).

Socially accountable companies are economically competitive organizations that attempt to fulfil the duties needed to ensure their survival and life and this requires fulfilling certain conditions, including offering

products and services that meet the needs of the user, performing above minimum requirements, acting ethically, providing safe and healthy working conditions, respecting the environment, and integrating the company into the community (Obeidat, 2016). However, corporations will not act responsibly as long as corporate responsibility issues are not integrated into their decision making and governance structures.

A study conducted by Fafaliou et al. (2006) disclosed that only six out of ten shipping businesses had introduced CSR projects. It was noted that transport companies' CSR dimensions do not vary significantly from the fire-generic sizes (Lu et al., 2009). They also observed that shipping businesses are more focused on environmental issues than on social problems (Lun, et.al., 2014).

While CSR practices were mainly driven by the prospect of gaining competitive advantage by paying attention to the industry's environmental effects, restricted attention was paid to the various social issues, including workplace safety, labour rights, customer relations, transport effects on coastal populations, and enhanced transparency of activities (Acciario, 2015). The purpose of this study is to reduce the gap from the previous research. There are limited research on CSR, especially in port and shipping industry in Malaysian context to identify the factors affecting CSR and barriers towards CSR implementation faced by port and shipping industry specifically on CSR on social aspects.

Research Objectives

- (i) To identify the main factors that impede CSR implementation at ports in Malaysia.
- (ii) To determine the challenges faced by the ports in Malaysia in promoting CSR.
- (iii) To propose suitable methods to incorporate CSR into the port and shipping industry.

Significance of the Study

This research empirically explores in detail the factors affecting CSR in the ports in Malaysia, challenges faced by the ports in Malaysia and reports the best mechanism how this industry can incorporate the CSR successfully in future. In a different note, the practical aspect of this study may provide information with regards to the influence of the CSR with organizational performance. Thus, this study may help the management of the ports in Malaysia to increase the performance of the organization with CSR.

The study may not only contribute to the work undertaken in this field, but may also lead to further studies on corporate social responsibility in Malaysia's port and shipping industry. The research would also benefit the port and shipping industry in identifying the obstacles and then taking the required steps to overcome those obstacles to effectively enforce corporate social responsibility. Thus, overall, this research mainly to provide meaningful information to organizations such as academics, practitioners, public sector corporate officials, government regulators, and policymakers in regards with CSR implementation in port and shipping industry in Malaysia. Also, Malaysian Port Shipping Industry players will be better equipped with CSR knowledge to compete in the global arena by understanding CSR and its best practices.

This study only focuses on external corporate social responsibility which referred to shareholders, regulatory bodies, environmental activists, media and society. In the future, research can be extended to internal corporate social responsibility.

Literature Review

Corporate Social Responsibility

Hemingway and Maclagan (2004) defined CSR as *"the extent to which companies should promote the objectives of human rights, democracy, social and community improvement and sustainable development worldwide."* Additionally, Davis (1973) described CSR as the consideration and obligation of a company to generate social benefits along with traditional economic earnings. CSR, therefore, extends beyond the narrow financial, technical, and legal demands and is worried about the company's real value for its shareholders, staff, clients, creditors, communities, and society. CSR is defined as a company's commitment to eliminating or minimizing any harmful effects and maximizing its sustainable beneficial impact to the society (Mohr, Webb & Harris, 2001 as cited by Dongho & Jieun, 2018).

Furthermore, World Business Council for Sustainable Development (WBCSD) has defined CSR as *"a continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large"* (Holme & Watts, 2000). Finally, there are definitions which emphasize the instrumental/strategic view of CSR, i.e. the benefits for both business and society. For instance, Hopkins (2004) definition explicitly stated that the aim of CSR at the macro-level should be

“to create higher and higher standards of living while preserving the profitability of the corporation, for people both within and outside the corporation”.

To conclude, CSR referring to the assumption and fulfilment of responsibilities that extend beyond their profit-making functions, with the aim of enhancing certain social objectives, such as sustainable economic development, quality of life and/or increasing national living standards, among many others.

Benefits of CSR to an Organization

Previous researchers have discovered that a business has many reasons to be socially accountable (Burke & Logsdon, 1996; Sprinkle & Maines, 2010). According to Maloni and Brown (2006), in addition to the advantages of an enhanced project, many businesses now view social accountability as a manner to better manage human resources and their supply chain, which in turn has resulted in a rise in their competitive benefit. Additionally, other surveys have discovered that businesses are developing CSR reports as they think it is essential to satisfy the demands of stakeholders (e.g., Fifka, 2012; Idowu & Papasolomou, 2007).

Hossain et al (2012) reported that Corporate Social and Environmental Reporting (CSER) motivations are derived primarily from management governance, regulators, internal stakeholder pressure, corporate image branding, reasons for poverty alleviation, and reasons for social duty. It is also regarded social and environmental issues while taking into account a company's long-term economic achievement. In addition, recent studies indicate that CSR contributes to the economic performance of a company and to be mediated by guiding performance factors such as customer satisfaction, job satisfaction and corporate image (Galbreath & Shum, 2014; Yuen & Lim, 2015).

Barriers to CSR Implementation

The implementation of CSR, especially in the shipping industry, has many barriers. In this regard, five main barriers were identified for the implementation of CSR in shipping and these barriers were divided into firm-specific and industry-specific. Company-specific barriers are heterogeneous micro factors and their impact on the implementation of CSR may vary from one company to another. Moreover, through change management and transformation of organizational culture and governance, these obstacles can be increased, regulated and managed by a company. Whereas, industry-specific obstacles are macro and homogeneous factors and companies in the same industry may experience them invariably. These

are mainly influenced by external forces such as the competitive and political landscape (Yuen & Lim, 2015).

The company specific barriers facing the company are lack of resources, lack of strategic vision and lack of measuring systems. Lam & Lim (2016) found that a large quantity of resources is needed to effectively implement CSR in shipping industry. However, CSR implementation budgets are often insufficient and low when compared with other initiatives that ensure greater investment returns (Faisal, 2010). Therefore, additional budget needed to implement CSR successfully in port and shipping industry and CSR adventure is much of the time, seen by the association as an expensive action with the undermined present moment and lack of long term benefits.

Additionally, the study discovered that the absence of strategic vision is often due to the absence of engagement from top leadership. Werther Jr and Chandler (2005) asserted that CSR should be guided, formalized and implemented by the heads of the organization. According to Pawhick et al (2012), that shipping businesses only address CSR at the operational level and have not incorporated them into their vision and strategic goals (Yuen & Lim, 2015). The poor empirical support for the connection between CSR and economic performance is another reason that creates the absence of strategic vision (Drobetz et al., 2014). At same time, decision to adopt a CSR policy is strongly affected by organizational culture. In particular, a corporate culture and attitude that does not encompass CSR elements will, inevitably, constitute a significant barrier to CSR implementation and diffusion within organization's operating practices (Valkovičová, 2018). Furthermore, according to Lee and Kim (2017), organizational culture is reflected and constitutes the pillar of every major initiative and pursuit within an organization. Hence, the lack of a corporate culture, founded on CSR values, represents a foremost discouraging factor for the non-adoption of a CSR initiative within the company (Lee & Kim 2017).

Furthermore, avoidance of CSR standards into the organization's key goals has been contended to shape a fundamental obstruction to CSR usage. Incapable scattering of CSR inside an association is, for the most part credited to the reason that neither has been set as a vital need for the organization nor has been joined to its vital destinations. Another reason that causes the lack of strategic vision is the weak empirical support for the relationship between CSR and financial performance (Drobetz et al, 2014). Furthermore, estimation frameworks are required to measure the advantages for actualizing CSR and they fill in as a helpful instrument for the assessment and control of CSR exhibitions, and as a reason for remunerations. Nevertheless, CSR is a fluffy wording and is comprehended to specific distinctive importance by managers

(Murillo & Lozano, 2006). In addition to that, Coady et al. (2013), state that although ISO 26000 was implemented which offers guidelines for CSR's voluntary practice. It was not well received by shipping firms and no true measurement or benchmarking methods were adopted.

Next, industry-specific barriers are low willingness to pay for CSR and high regulatory standard to be followed. Despite the latest studies claiming that shipping companies' value proposal is increasingly evaluated on the basis of their participation in CSR (Shin & Thai, 2014). For their CSR attempts, shipping businesses are still not appropriately and properly compensated. Forbes (2011) asserted that when it comes to paying a premium for CSR, clients are not prepared to spend cash. Another explanation for shippers' low willingness to pay for CSR is that shipping is a business-to-business (B2B) industry and not affecting society directly.

Lastly, the shipping industry is one of the highly regulated industries that implies that the environmental, security and well-being issues of most stakeholders have been properly resolved. While complying with these standards, it provides preventive advantages such as avoiding detention of ships in the ports, which has a massive impact on the earning ability of vessels (Knapp & Franses, 2007). Overcoming these norms, which imply CSR practice, only gives limited market advantages.

CSR Practices in Malaysia

Malaysia's government has taken a number of steps to promote CSR disclosures. This can be noted by integrating CSR procedures in the Transformation Plan, the 9th Malaysia Plan and the domestic budgets (Hamid & Atan, 2011). Also, the Malaysian government incorporated CSR as an important component of achieving vision 2020.

It is to be noted that among businesses operating in Malaysia, the practice or disclosure of CSR events is much lower (Hamid & Atan, 2011; Zubair et al., 2013). A research conducted between 1999 and 2005 among 200 businesses listed on the Malaysian stock exchange stated that businesses paid only small attention in disclosing or covering CSR data in annual reports (Saleh et al., 2010). In most developing countries, including Malaysia, there is a limited research on CSR aspects and their methods. CSR is thought to be essential for organizational sustainability regardless of size and sector where it works.

Conceptual Framework

Figure 1 explains the conceptual framework of the research. There are five hypotheses and the primary dimension of this study is barriers of CSR

implementation. Failure of CSR is a dependent variable in this model and it is the outcome of independent variables (lack of resources, lack of strategic vision, lack of measurement systems, low willingness to pay for CSR and high regulatory standard).

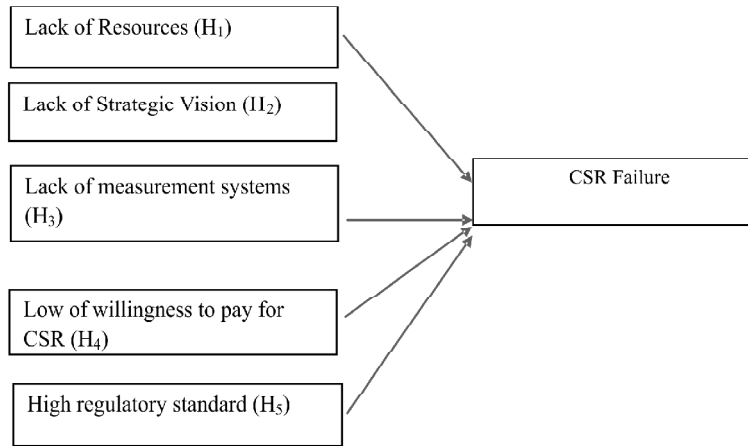


Figure 1: Barriers towards CSR implementation in Port and Shipping Industry

Hypothesis Postulated

H_1 : Lack of resources (LOR) is a barrier for CSR implementation at ports.

H_2 : Lack of strategic vision (LOS) of the firm is a barrier for CSR implementation at ports.

H_3 : Lack of measurement systems (LOM) of the firm is a barrier for CSR implementation at ports.

H_4 : Low willingness to pay for CSR (LWP) has an influence on CSR implementation at ports.

H_5 : High regulatory set (HRS) by industry is a barrier for CSR implementation at ports.

Methodology

Research Design

The purpose of this design is to answer the question of what are the probable barriers of CSR implementation. Therefore, this study adopts empirical research via cross-sectional study. In an attempt to address the research questions and objectives, the data was collected through questionnaire in one

take in a period of two months during 2018. The questionnaire was distributed to employees working at one of the port in state of Selangor, Malaysia.

Population and Sample

The target population for this study was 250 respondents from the total population of 430 employees from a middle-level management position and above. This study applied stratified sampling whereby various departments and positions have been identified before the selection was made. There were 130 samples that have been selected which is 52% of target population. The criteria for the sample selection was that the respondents should have good knowledge of CSR activities in their organization and they should actively have participated in those activities. Questionnaires were sent out to 130 respondents and they were mainly from the departments of Human Resource, Finance, Engineering, Marketing, Management & Relations and Environment Health Safety respectively. A total of 60 responses were received. Thus, the response rate was 46.2%.

Measurement of Items

A questionnaire was derived based on prior studies. From reviewing the existing CSR literature, 27 measurement items were created to operationalize the obstacles recognized and the execution of CSR. Table 1 shows the measuring objects and their sources.

In this study, two instruments were used for the collection of relevant data. First, this study relies on primary data which has been collected through a structured questionnaire. The questionnaire contained two parts. Part A contained demographic information about the respondents, while Part B included questions on the barriers affecting CSR implementation. Structured interview questions were designed in such a way that the respondent was required to answer questions in Likert type scale ranging from one (strongly disagree) to five (strongly agree). These responses were used to measure all the independent variables and dependent variable.

Results and Findings

Scale Reliability

Questionnaire was pre-tested with academic colleagues before they were distributed to actual respondents to check on reliability. Feedback received and correction was done accordingly. Cronbach's Alpha coefficient was used for the reliability of total questionnaire items and all the 6 items were above the conservative threshold 0.70.

Table 1
Measurement items

<i>Constructs</i>	<i>Measurement items</i>	<i>Sources</i>
<i>Lack of Resources (LOR)</i>	X1: We do not have sufficient financial resources for CSR implementation X2: We do not have enough knowledge about CSR X3: We do not have the relevant expertise for CSR implementation X4: We do not have adequate training for CSR implementation X5: We feel that CSR implementation is too time-consuming and costly	Laudal (2011) Arevalo and Aravind (2011) Faisal (2010) Alemagi et al. (2006) Skouloudis et al. (2011)
<i>Lack of Vision Strategic (LOS)</i>	X6: Our top management does not support CSR implementation X7: We feel that there are no significant benefits for our company to implement CSR X8: We associate CSR with unavoidable expenses X9: We have more important priorities for the company rather than implementing CSR X10: CSR is not incorporated into our company's vision and / or mission statement	Arevalo and Aravind (2011) Faisal (2010) Skouloudis et al. (2011)
<i>Lack of Measurement Systems (LOM)</i>	X11: We are lacking metrics to quantify CSR benefits X12: We are lacking internal controls to monitor and enforce CSR X13: We are lacking benchmarking standards to compare our CSR performances X14: We are lacking knowledge and monitoring capacity on the market environment	Arevalo and Aravind (2011) Laudal (2011) Faisal (2010) Coady et al. (2013) Hargett and Williams (2009)
<i>Low willingness to pay for CSR (LWP)</i>	X15: We feel that shippers are primarily concerned with logistics performance such as cost and service level X16: We feel that shippers are not willing to pay for green or socially responsible services X17: We feel that shippers are not actively involved in CSR activities	Faisal (2010) Pruzan-Jorgensen and Farrag (2010) Fafaliou et al. (2006)

contd. table

<i>Constructs</i>	<i>Measurement items</i>	<i>Sources</i>
<i>High regulation standard (HRS)</i>	X18: We feel that the standards set by existing regulations are high as compared to other industries X19: We are experiencing problems coping and complying with the regulations X20: We feel that existing regulations in shipping have adequately address issues pertaining to the public and the environment X21: We feel that existing regulations in shipping have adequately address issues on safety and security X22: We feel that existing regulations in shipping have adequately address concerns about employees	Skouloudis et al. (2011) Fafaliou et al. (2006) Skovgaard (2012)
<i>CSR implementation</i>	Y1: My top management has long term plans to ensure financial sustainability of the company Y2: My company donates to charitable organizations Y3: My company provides full transparency of its activities, structure, financial situation, and performance to the public Y4: My company financially support training and education for employees Y5: My company practices eco-friendly activities such as green ship designs, cleaner engine fuel, optimal vessel speed, electronic documentation, and environmental-friendly materials and equipment	Shin and Thai (2014) Schreck (2009) Lai et al. (2013)

Table 2
Cronbach's Alpha-Reliability Test

<i>Cronbach's Alpha</i>	<i>N of Items</i>
0.74	6

Correlation Analysis

Correlation analysis is a measure of association between two continuous variables and it measures both the size and direction of relationships between two variables. Below table describes a detailed correlation analysis with various variables such as "CSR implementation", "Lack of Resources

(LOR)", "Lack of Strategic vision (LOS)", "Lack of Measurement System (LOM)", "Low willingness to pay for CSR (LWP)", and "High regulation standards (HRS)".

Table 3
Correlations Analysis among variables chosen

	1	2	3	4	5	6
1. CSR	-					
2. LOR	0.28**	-				
3. LOS	-0.65	0.34**	-			
4. LOM	0.61*	0.22**	0.12**	-		
5. LWP	0.62*	0.19**	0.20**	0.85*	-	
6. HRS	0.39**	0.31**	0.44**	0.42**	0.53*	-

** Correlation is significant at the 0.01 level (1-tailed)

*Correlation is significant at the 0.05 level (1-tailed)

From the above correlation matrix, "CSR implementation" is having a significant correlation with "lack of resources, lack of measurement system, and high standard regulation". Further, it is strongly correlated with lack of willingness to pay for the CSR and negatively correlated with a lack of strategic vision. "LOR" is having a significant correlation with CSR, LOS, LOM, LWP, and HRS. Further, it is moderately correlated with LOS. "LOS" is having a significant correlation with LOR, LOM, LWP and HRS and at the meantime negatively correlated with CSR. "LOM" is significantly correlated with CSR, LOR, LOS, LWP and HRS. The "LWP" also significantly related with CSR, LOR, LOS, LOM and HRS. Finally, "HRS" having a significant correlation with CSR, LOR, LOS, LOM, and LWP.

The Barriers and the CSR Implementations (Regression results)

The regression model presented below and the result of analysis as shown below:

$$Y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + b_5x_5 + \epsilon$$

Where

Y = CSR implementation

X₁ = Lack of resources

X₂ = Lack of strategic vision

X₃ = Lack of measurement systems

X₄ = Low willingness to pay for CSR

X₅ = High regulatory standard

Table 4
R² and ANOVA

R = 0.70^a

R square = 0.49

Adjusted R square = 0.44

Standard error = 0.55

ANOVA						
	<i>Sum of Squares</i>	<i>Df</i>	<i>Mean Square</i>	<i>F</i>	<i>P</i>	<i>Remark</i>
Regression	15.394	5	3.08	10.228	0.000 ^b	Significant (P<0.05)
Residual	16.256	54	0.30			
Total	31.650	59				

a. Predictors: (Constant), HRS, LOR, LOM, LOS, LWP

The above regression table summarizes the model performance with relevant analysis. **R** represents the multiple correlation coefficient with a range lies between -1 and +1. Since the value 0.70 is captured. It means CSR implementation have a positive relationship with LOR, LOS, LOM, LWP, and HRS.

R square represents the coefficient of determination and ranges between 0 and 1. Since the **R** square value is 0.486, 46 % of the variation in CSR implementation percentage is captured by LOR, LOS, LOM, LWP, and HRS. Adjusted **R** is 0.439, meaning that only 44 percentages of LOR, LOS, LOM, LWP and HRS barriers for the CSR implementation. There results show that there are other factors which contribute to the barriers of the CSR implementation in industry shipping.

F value is significant which indicate the independent variables suitability in studying the CSR failure. The variables match in the model suitability.

Table 5
Coefficients Analysis

<i>Model</i>	<i>Coefficients</i>	<i>Std Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
1 (Constant)	-1.34	1.73	-0.78	0.43	-4.83	2.12
LOR	0.59	0.43	1.35	0.18	-0.28	1.45
LOS	-0.33	0.12	-2.66	0.10	-0.57	-0.08
LOM	0.17	0.14	1.18	0.24	-0.13	0.46
LWP	0.53	0.29	1.83	0.73	-0.05	1.10
HRS	0.32	0.21	1.55	0.13	-0.09	0.74

a. Dependent Variable: CSR

LOR influences the CSR implementation positively by 0.59, but this hypothesis cannot be accepted as the significance level is 0.18 (>0.05) and hence rejected. It means, the LOR is not a barrier. Similarly, LOR, LWP and HRS are not acceptable as their significance levels are more than 5% (0.24, 0.07 and 0.13). However, LOS show a negative sign but significant at 1% level (sig 0.10). This indicates among the five variables only LOS has some impact on implementation of CSR. Hence, the top level management should have vision about CSR and it should be strategic in principle.

The above model results indicate that the contribution for the tested elements to identify the barrier for CSR implementation failure in the shipping industry. From the regression model, it is observed that all variables show a positive impact on the dependent variable which CSR implementation except LOS which indicates a negative impact.

Besides that, from the above table can conclude that there is no multiple collinearities between variables means that there are no high inter-correlations or inter-associations among the independent variables which are very good.

Hypothesis 1

H_1 : Lack of resources is a barrier for CSR implementation in the port shipping industry in Malaysia.

From table 5, it is observed that lack of resources is not an important factor or barrier for the CSR implementation in port shipping industry in Malaysia.

Hypothesis 2

H_2 : Lack of strategic vision of the firm is a barrier for CSR implementation in the port shipping industry in Malaysia.

Table 5 shows a negative value of 0.33 with a big value of 0.01. This indicates that LOS is a significant variable which affects the CSR implementation. The management should take note of this and should be incorporated in future decisions strategically.

Hypothesis 3

H_3 : Lack of measurement of the firm is a barrier for CSR implementation in the port shipping industry in Malaysia.

This lack of measurement is not an impediment for the implementation of CSR.

Hypothesis 4

H₄ : Low willingness to pay for CSR has influence on CSR implementation in the port shipping industry in Malaysia.

Table 5 indicates that LWP variable rejected and it is not a barrier for CSR implementation in port and shipping industry in Malaysia

Hypothesis 5

H₅ : There is relationship between High regulatory set by industry and CSR implementation in the port shipping industry in Malaysia.

Similarly, HRS variable rejected and indicate that this variable also not an impediment for CSR implementation.

Conclusion and Recommendations

The study results show that lack of vision as the main impediment implementation of CSR activities in port and shipping industries in Malaysia. This finding supported by Emezi (2014) which found that non-inclusion of CSR principles into company's strategic objectives has been a vital barrier to CSR implementation. Ineffective dissemination of CSR within an organization is, generally, recognized to the reason that neither has been as strategic priority for the company nor has been incorporated to its strategic objectives. In addition, corporate culture and senior management commitment as a fundamental element of success for every major strategic and policy initiative within an organization (Hakala, 2015).

Results also support past research by Werther Jr. and Chandler (2005). They argued that a lack of strategic vision is often contributed to a lack of top management commitment. This point also agreed by Pawhick et al (2012) where shipping companies are only addressing CSR at the operational level and have not integrated them in their vision and strategic objectives.

Apart from lack of strategic vision, other variables also contribute in a small portion in CSR implementation directly or indirectly. Variables such as high regulatory standard contributes the CSR implementation and this is agreed and supported by Knapp and Frances (2007). The shipping industry is one of the high-regulated industries and complying with this standard offers preventive benefits. Similarly, variable low willingness to pay for CSR also a part of barrier in CSR implementation.

There are other reasons contribute to the failure of CSR implementation in port and shipping industry apart from what has been discussed earlier. CSR basically contributes to the organization performance directly and

indirectly, yet many organizations still are not willing to invest a large amount in CSR in practice. Therefore, management should incorporate CSR vision into their company vision and mission to ensure that CSR will be an important part of their company's strategic vision. This will help other stakeholder clearly understand the company's philosophy and they together can help each other to achieve the CSR goals. Additionally, port shipping industry should ensure that there are proper measurement systems. Also, the organization should ensure that all the CSR programmes meet the standards, and it is able to contribute to the organization, stakeholders and also to the nation. Finally, the organization should have proper planning and resources should be allocated accordingly. They can have collaboration with other port and shipping industry to reduce their resource burden.

Limitations and Direction for Future Research

Like most research of its kind, the results of the study are subject to a few limitations. One potential limitation of the current study is that its sample is only 60 respondents from one shipping industry from the Selangor state. Another limitation is the study only uses quantitative analysis with five variables and four variables failed to influence CSR implementation.

Further research could be undertaken to examine other factors that might affect CSR implementation from top management perspective. Also, research can be done with a large number of samples from other shipping industry in Malaysia and can be compared with other industries.

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