



Othman Yeop Abdullah
Graduate School of Business

Universiti Utara Malaysia

Othman Yeop Abdullah Graduate School of Business (OYAGSB) Universiti Utara Malaysia

SUSTAINABILITY REPORT
2017

Foreword



Othman Yeop Abdullah
Graduate School of Business

Universiti Utara Malaysia

The Othman Yeop Abdullah Graduate School of Business (OYAGSB) is committed to making a difference in the society, environment and the world at large. We do this by giving opportunities to our students and staff to engage with the community in our programmes and activities inside and outside the campus environment.

We are proud to report here some of the improvements we made throughout 2017 in the four key sustainability areas: Community development and engagement; Knowledge and skills, Environmental sustainability and Responsible practices. We are particularly excited that we were able to improve ourselves in the use of our resources as described in this second Sustainability Report. The progress we made has increased our resolve to be more sustainable in the way we do things.

While we still a long way to go for our efforts and initiatives to make a visible impact, we are committed to continue implementing change in how we do things to benefit the society and the environment.

I hope you enjoy reading this report.

Professor Zeljko Sevic
Dean
Othman Yeop Abdullah Graduate School of Business
Universiti Utara Malaysia



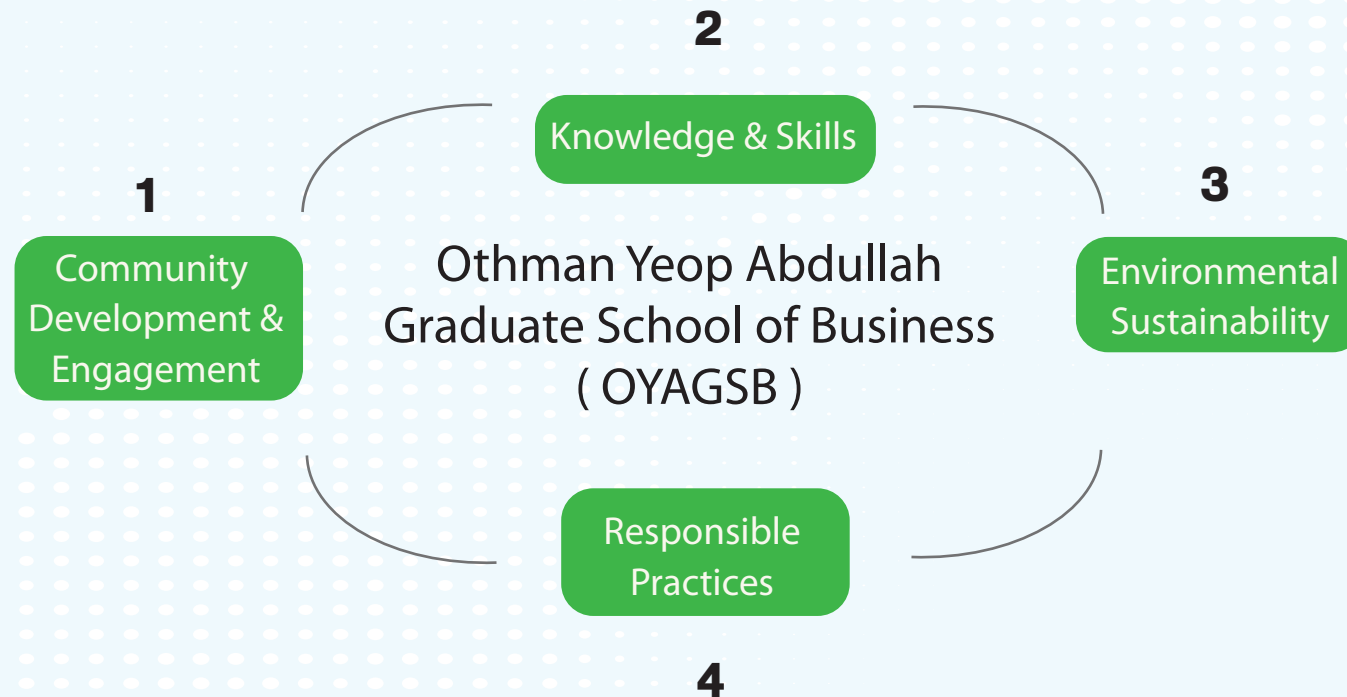
Key Areas of Activity



Othman Yeop Abdullah
Graduate School of Business
Universiti Utara Malaysia

We continue to focus on the key areas of activity in our sustainability initiatives and programmes. They are:

- Community development and engagement
- Knowledge and skills
- Environmental sustainability
- Responsible practices



At OYAGSB, the culture of giving back to the community is nurtured not only in theory and the classroom but more importantly in practice. By connecting and engaging with the wider community, we could be wiser in our perspectives and outlook especially in developing a sense of understanding, empathy and tolerance. We owe much of our development with the constant support of the community; it is only fair that we give back what is due in ways and forms that benefit them

(Re) Connecting with Community (Tanjung Dawai Free Market)



As part of the initiative to assist those who are in the low-income group, a group of our MBA students organised Tanjung Dawai Free Market at Tanjung Dawai, Yan, Kedah. The programme director, Ms. Sarida Hassim, four villages were selected in the programme, namely Kampung Kepala Tanjung, Kampung Nelayan, Kampung Bagan Belat and Kampung Bagan Asam. The programme involved two activities. In the morning, a free market was held where residents of Tanjung Dawai and those in the area could get their hands on donated items such as clothes, shoes, etc. for free. In the afternoon, the students distributed food and zakat money to those in need in the area concerned. All the funds and used clothing were contributed by participants, family members and friends. The collection was carried out within a month through social media such as Facebook and WhatsApp according to the MBA Alumni Club President, Mr. Abdul Ghafur Hanafi, 55. Speaking to Kosmo, one of the local newspaper, Abdul Ghafur stressed that the program would indirectly enable participants to get to know the local community more closely and ease their burden. More importantly, the programme aimed to convey the message that there are people who are concerned about the welfare and well-being of those in need.

Ramadhan Relief



During the month of Ramadhan, the gates of heaven are open vast and wide to encourage good deeds among those who wish to reap the golden opportunity. Not wanting to miss out, we decided that it is a good time to be generous, compassionate, and thoughtful to the plight of those in need. So, we collaborated with two NGOs toward this purpose. First, we collaborated with Islamic Relief in the Ramadhan Relief 2017/1438H Programme. Islamic Relief is an independent humanitarian and development organisation founded in the United Kingdom in 1984 that strives to make the world a better and fairer place for the people still living in poverty. In this programme, OYAGSB managed to collect 587 bottles of one-kg cooking oil to be distributed to those in need in the northern region. On 22 May 2017, a dedicated team from OYAGSB drove all the way to the Islamic Relief collection point in Perlis to hand in the collection.

No matter how small or big a contribution is, we are committed to putting a smile on everyone's faces and continuing to make a difference in the society in ways that it can. Bakul Kasih Ramadhan is an annual programme started just last year which was initiated by the Squad AADK Kulim, MAYC Padang Serai with SMKSB Alumni and SKTAM Alumni. The objective of this Programme is to collect as many as possible new and used clothes to give to those in need in Kulim District to bring smiles on their faces during the Eid celebration. Now in its second year, the Programme, with the collaboration of OYAGSB, managed to collect around 150 new and used clothes which were then handed to Mr Shahrizam, one of UUM alumni and who is also an alumna of SMKSB.

In a separate occasion, we took the opportunity to organise a donation drive among our staff to reap the benefits and blessings of the holy month. The money collected we used to give away groceries such as cooking oil, rice and sugar to 30 cleaners and labourers at the University deserved such assistance. In a separate occasion, we donated some money collected from our staff to the cleaners at the School. We hoped that the donation could help them with the Eid preparation.

Knowledge & Skills



Othman Yeop Abdullah
Graduate School of Business
Universiti Utara Malaysia

We believe that developing students' knowledge and skills are key to enable students to make a difference in the society (and environment). In addition to the theoretical knowledge given in the classrooms, we are also committed to ensuring that our students receive additional practical skills, mostly nurtured outside the classrooms. We have started various initiatives toward this.

Doing Research that Matters

Our research institute, iLead4Change continues to produce knowledge that matters for the sustainability of the society, environment and the business world. Through our rigorous research, we attempt to address the real issues and problems affecting the businesses and society. We show three samples of the kind of research we did.

Our Research Performance

Research Type	2017
Academic research articles	65
Practice-oriented research articles	4
Papers in academic conferences	14
Published case studies	
*Other R&D publications	12
Total	95

* Book, Chapter in Book, Monograph

Our Research Grants and Funding Agencies (2013-2017)

Year	Research Title	Funding Agency	Amount (RM)
2017	Integrating dynamic capability theory and diffusion of innovation theory towards the social well-being of SMEs in Malaysia	Institute for Cooperative and Entrepreneurship Development Research Grant, UUM	10,000
2017	The business process improvement journey of A@K	IMBRE Research Grant, UUM	5,000
2017	A politico-legal model on political financing in Malaysia	Fundamental Research Grant Scheme (FRGS), Ministry of Higher Education, Malaysia	53,530
2017	A survey on youth participation in politics and the BN government achievements in Kedah and Perak toward the 14th general election	Special Grant, UUM	20,000

Knowledge & Skills



Othman Yeop Abdullah
Graduate School of Business
Universiti Utara Malaysia

Research We Conducted

Workgroup Diversity: Surface Level Actual Similarity and Deep Level Perceived Similarity in Leader Member Relationship Communication

This study explored whether surface level actual similarity interacts with leader-member dyadic communication agreement in predicting group member performance ratings at earlier time periods in a work group's development. Additionally, this research examined whether deep level perceived similarity interacts with leader member dyadic communication agreement in predicting group member performance ratings at later time periods in a work group's development. The relationship between shared cultural context and perceived and actual similarity was also investigated. This research analysed longitudinal data on five occasions in a Malaysian organisation involving a sample of 28 group projects and 141 matching dyad. The study observed that conversations based on the Malaysian cultural norm of "budi" reflect not only a cultural basis of communication but also that this shared cultural context leads to a perceived similarity between ethnic Malay, Chinese and Indians and also both genders. Leader member dyadic communication agreement reflects the social appropriateness and relationship quality between individuals as well as the context of the leader-member workgroup interactions.

Knowledge from Customer, for Customer or about Customer: Which Triggers Innovation Capability the Most?

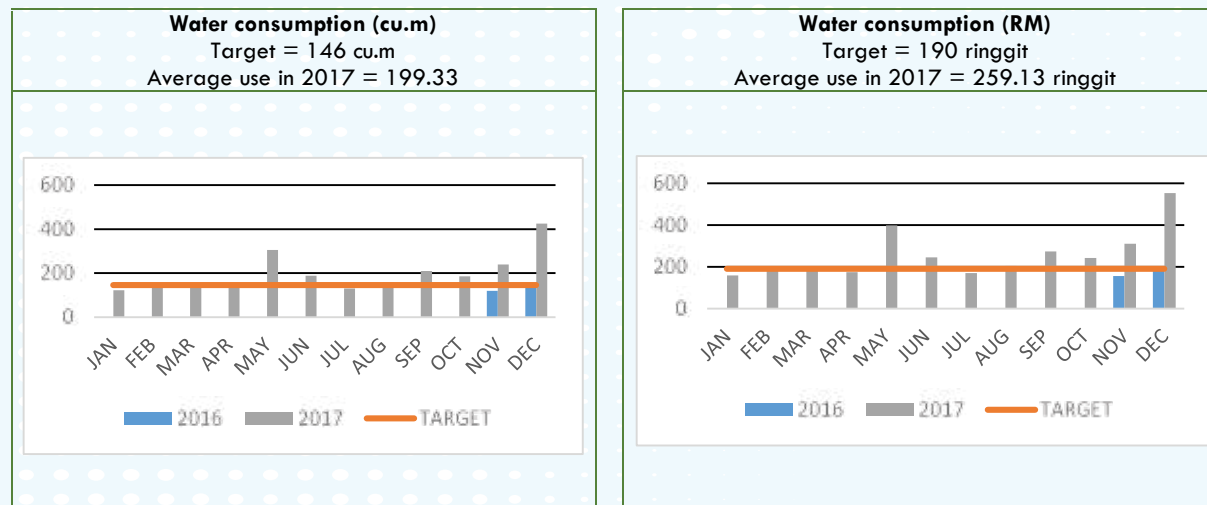
This study assessed the influence of three dimensions of customer knowledge management – knowledge from customer, knowledge for customer and knowledge about customer on innovation capabilities (speed and quality) and new service market performance. The model links three dimensions of customer knowledge management to two dimensions of innovation capabilities. Further, the model links two dimensions of innovation capabilities to new service market performance. Data from 253 managers representing 26 banks in Bangladesh were collected. The study showed that knowledge from customer and knowledge for customer were the most influential predictors of new service market performance. Of the three dimensions of customer knowledge management, knowledge from customer turned out to be the strongest predictor of innovation quality and speed. Innovation quality had a greater impact on new service market performance than innovation speed. Innovation capability (quality and speed) played a mediating role in this study. The study recommended that managing knowledge from for and about customer should be systematically considered as a synergy approach to firms' processes and activities to co-create value with customers. In particular, managers should put more emphasis on knowledge from and for customer to enhance innovation capacity and achieve success in the development of a new service.

We are committed to contributing to environmental sustainability for the benefit of our future generations. We strive to ensure that we reduce the impact of our activities on the environment by continuously improving the way we operate. The Environmental Policy guides our daily activities and operations we developed since last year.

Use of Resources

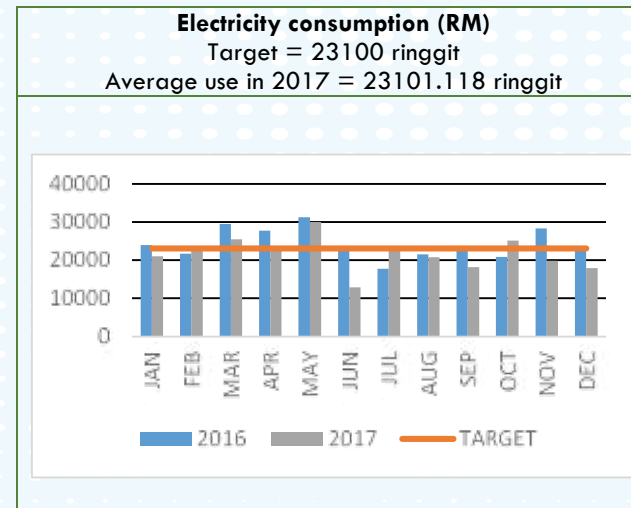
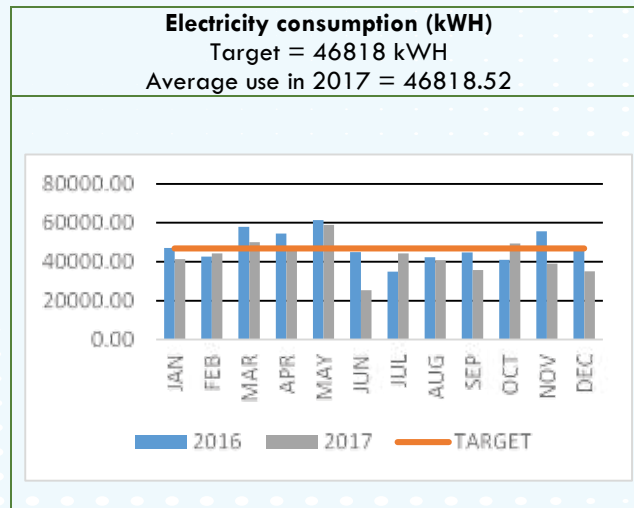
We set ourselves a target 5-per cent reduction in the use of water, electricity and paper. As can be seen below, our performance last year in comparison to the year before (2016) was generally better especially on the use of water. However, when compared to the target set, we have much work to do to improve the use of resources.

Water

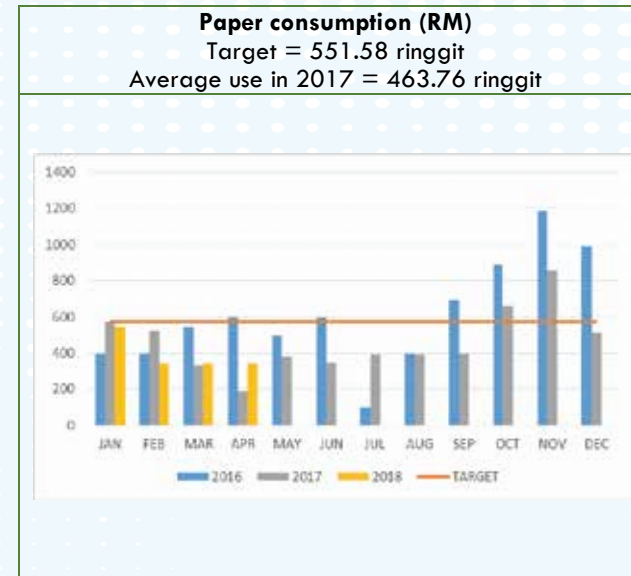
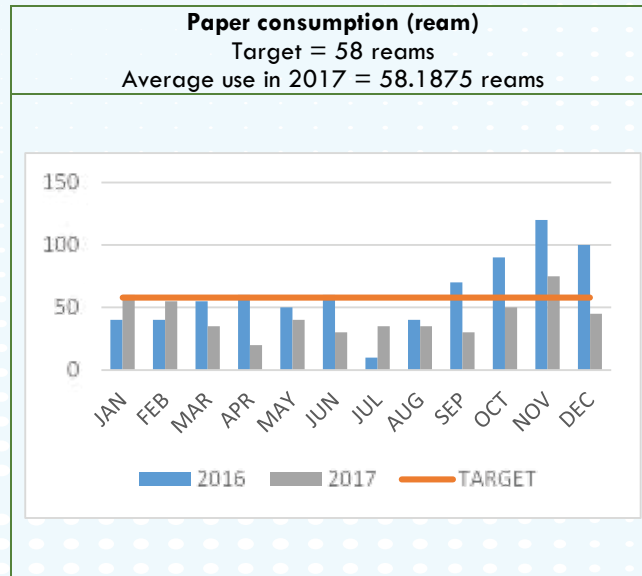




Electricity



Paper



Environmental Sustainability



Othman Yeop Abdullah
Graduate School of Business
Universiti Utara Malaysia

Measures Taken

Consistent with the Environmental, we are committed to continuously improving our practices. This is what we have done and will continue doing as part of Kaizen.

Electricity

We changed 20 non-LED bulbs with LED bulbs last year, leaving us with 100 non-LED bulbs waiting to be changed. The initiative cost us RM5,820.00. We also constantly remind our staff about the need to switch off the light and air conditioning unit when not in use

Paper

We started printing on double-sided paper to save our resources. We also started limiting the printing of materials for the meeting. Many documents are now projected directly onto a board, saving our paper resources. We expect that the use of paper will decrease quite significantly in the future.

Environmental Awareness Programmes

Changing a habit is not easy; reinforcement is required for behavioural change. Several reinforcement programmes were organised to ensure that our stakeholders cultivate the relevant attitude and behaviour toward preserving and protecting the environment..

Environmental Sustainability

OYAGSB – Green Awareness Day

Protecting and preserving the environment is an important agenda for the School toward becoming an eminent business school. In support of the social responsibility agenda, we conducted a Green Awareness Day that was open not only to the academic and administrative staff of the School but also to other people interested in environmental issues. The Green Awareness Day started with an environmental awareness talk by two external consultants. The talk on “Preserving and Protecting the Earth: How Do We Play a Role?” was primarily about the importance of protecting the environment and the role individuals can play in achieving the goal. The talk was then followed by the official launch of the School Environmental Policy which communicates the School’s commitment and contribution to protecting and preserving the environment. The Green Awareness extended to the second day involving a walk to the UUM Welcome Centre. The Green Awareness Day was also carried out to support the ISO14001 and SR10 initiatives of the School.



OYAGSB - UUMIS Earth Day 2017

Each year, Earth Day—April 22—marks the anniversary of the birth of the modern environmental movement in 1970. As a contribution to Mother Nature and to appreciate the Earth, Othman Yeop Abdullah Graduate School of Business collaborated with UUM International School to play their part. The OYAGSB-UUM IS Earth Day was attended by around 200 people including students from the UUM International School and primary schools in Kubang Pasu district, parents, and teachers. The event started with a walk from OYAGSB to the Convention Centre with everyone wearing shades of green. Then, a Zumba session was organised, followed by an Earth-themed poem competition and the ‘Heal the World’ song as the finale. The involvement of kindergarten and primary school students was an attempt to educate the children about the importance of preserving the environment and protecting Mother Nature. The participants were also educated about climate change and its threat to our planet.



Responsible Practices



Othman Yeop Abdullah
Graduate School of Business
Universiti Utara Malaysia

We are committed to being ethical and responsible in our practices. Here are some of the ways we do it.

Diversity and Inclusion

We believe in the diversity and inclusion of students and staff. Diverse perspectives and backgrounds enable us to be tolerant, understanding, respectful, and empathetic of other people's situation and allows us to think of different ways to implement our practices better.

OUR STUDENTS

94% local

6% international

Local students, 60% Malay, 15% Chinese, 16% Indian, 9% Others
(60% male 40% female)

OUR ACADEMIC AND PROFESSIONAL STAFF

50% male 50% female

Average age = 48 years

Average industrial experience = 4.6 years

42% Our Support staff are from local community

Responsible Practices



Othman Yeop Abdullah
Graduate School of Business
Universiti Utara Malaysia

Safe and Healthy Place of Work

Having a workplace that is safe and free from health and other work related hazards is our utmost priority. We believe that a safe and healthy place to work in will enable us to work productively. To help ensure that our place of work is safe, we offer safety-related training. Also, emergency exits and plans are indicated for the benefit of our stakeholders.

Wellness Programmes

We have to admit that work can be challenging and stressful. Tight deadlines, conflicting demands, rigid work procedures, bureaucratic hassles, etc. are daily issues we have to grapple with every day. However, we strive to ensure that these unpleasant experiences do not allow us to be demotivated and dejected. Instead, we work around these challenges to build a healthy work life. Our wellness programmes are developed to help us detoxify ourselves from the stressful situations and reboot



Bangkok Trip

Knowledge & Skills



Othman Yeop Abdullah
Graduate School of Business
Universiti Utara Malaysia

Consumers' Purchase Behaviour of Non-Deceptive Counterfeit Products: The Role of Ethical Concern

Counterfeiting is a common problem in many parts of the world especially in the developing countries. This problem has reached a critical stage when counterfeiting is viewed globally as a criminal act and even on par with narcotics, weapons, human trafficking and terrorism. Past studies had been carried out to find the underlying reasons why consumers purchase counterfeit products. However, there is no best solution to overcome this problem other than strict and standard law enforcement. This study examined to what extent ethical concern influences consumers' purchase behaviour of counterfeit products. An intercept survey involving consumers who visited hot spot areas selling counterfeit products was conducted. A self-administered questionnaire was designed using established scales. A variety of statistical techniques were used to analyse the data. Analyses conducted revealed that ethical concern was negatively related to the purchase behaviour of counterfeit products. The findings indicated that respondents who had higher ethical concern tended to have lower tendency to purchase counterfeit products. The research provides an understanding of the ethical issue on unethical behaviour such as counterfeiting and informs about the importance of developing ethical principles and values in individuals as a way to address the issue that has become increasingly pressing.

Media and Youth Participation in Social and Political Activities: Development of a Survey Instrument and Its Critical Findings

The importance of youth participation in the decision making process in nation building should not be underestimated. Studies have shown that youth in marginalised communities lack opportunities for engagement in the democratic process. However, today's rapidly advancing media technology provides an opportunity for the authorities to tackle this problem. This research investigated how participation of youth in marginalised communities can be increased through the use of media. The researchers developed an instrument to measure the participation of youth in the decision making process via different media. The tested instrument is called 'Measure of Media and Youth Participation in Social and Political Activities'. It consists of five sections, which are (a) Demography, (b) Media use, (c) Level of youth participation, (d) Domain of youth participation, and (e) Youth perception of media and participation. The measure was later tested on 1,029 youths from different races, religions and backgrounds from all states in Malaysia. The study observed that all the domains and issues voiced out by the youths sampled in this study were closely related to the national agenda. Economic, political and social issues dominated the outcomes. Under economic issues, the youth were concerned about their quality of life and employment/how to earn a living. Corruption, racial issues and political stability were considered important matters for the government to handle. Drug abuse and health issues were the main concerns discussed by the youth. Based on the findings, it is proposed that in measuring media and participation among youth in social and political activities, level of participation, the domain of participation and youth perception of media and participation should be included.

Knowledge & Skills



Othman Yeop Abdullah
Graduate School of Business
Universiti Utara Malaysia

The Role of Absorptive Capacity between External Knowledge Search and Firm's Product Innovation

External knowledge search is crucial for firm's product innovation performance (PIP). However, it is still not clear, what dimensions of firms' external knowledge search strategy are crucial in determining their product innovation success and how firms are exploiting the external knowledge from their external knowledge search activities. This study examines the effect of two different external knowledge search strategies collaboration breadth and collaboration depth on PIP by proposing multidimensional absorptive capacity as the mediating variable. The empirical result in a sample of 137 Malaysian manufacturing firms found that absorptive capacity is partially mediated between collaboration depth and PIP. The findings provide insight that absorptive capacity could explain interfirm differences that benefit from external knowledge search. This study advances extant literature by explaining the way a firm attains superior PIP from external search strategies and absorptive capacity and provide insights for managers into developing suitable strategies to gain and sustain competitive advantages. As firms improve in their PIP, they could move up the value chain of a country and encourage better economic development of the nation.

Franchisors' Support Services and Their Consequences: Resource-Based View and Expectation-Confirmation Perspectives

This study explores the influence of franchisors' supports on franchisees' financial performance, overall satisfaction and intention to remain. Given the exploratory design of the investigation, purposive sampling technique was used to select 26 franchisees as key informants. In depth face-to-face interviews were conducted leading to the generation of rich qualitative data on the phenomenon of support services in the Nigerian franchise system. The results indicate that both the initial and growing stages, training and management service supports have marked influence on franchisees' business outcomes. However, the findings revealed that at the initial stage, the impact of training is greatest but this impact subsequently declines as franchisees master the nuances of the business. Management services, on the other hand, maintain a constant relevance through all stages of franchisees' business. Three key conclusions were drawn from the findings. First, the quality of initial and ongoing supports have consequences on the long-term health of franchisees' and franchisors' business. Second, poor management of franchisees' expectations and perceptions of supports could damage franchise partnerships. Third, franchisees form their expectation of supports largely from the nature of initial supports provided by the franchisors. This research sheds light on the consequence of franchisors support services on franchisees business performance and places the importance of ensuring a good franchisor franchisee relationship to ensure the longevity of such partnerships.

Knowledge & Skills



Othman Yeop Abdullah
Graduate School of Business
Universiti Utara Malaysia

Earnings Manipulations in Politically Influenced Firms

This paper investigates the relationship between political influences and earnings manipulations because little has been known about the relationship between both variables using multiple proxies. The authors measure earnings manipulation using models developed by Bhattacharya et al. (2003) and McNichols (2002) for a large sample of 129 listed firms in Pakistan Stock Exchange over the period 2009–2013. This study finds that politically influenced firms are involved in accruals earnings management and lack transparency, implying lower earnings quality. Our findings are consistent with prior studies, which show the positive relationship between political influences and earnings manipulations. However, the authors add contribution by using three proxies of political influences. The findings are useful for regulators to monitor earnings manipulations activities among public listed companies. The findings also add to the growing literature in the field of corporate governance.

Responsible Practices



Othman Yeop Abdullah
Graduate School of Business
Universiti Utara Malaysia



Cameron Highland Trip



Recreation Activities

Responsible Practices

Improved Facilities

We strive to provide our stakeholders with improved facilities and infrastructure to enhance their experience with us. Last year, we upgraded our existing facilities such as classrooms to make them more modern and comfortable. We also provided students with dedicated prayer rooms dedicated to male and female students. We also identified a relaxation space for students to use outside the classroom.



Classroom



Prayer rooms for students (female & male)



Student Relaxation Space

Our Future Focus



Othman Yeop Abdullah
Graduate School of Business
Universiti Utara Malaysia

The year 2017 was a challenging year for us because it was a year that tested our resolve and commitment to making a difference to the environment and the community after being awarded an ISO-status. It was a year when we had to start thinking strategically about our current practices and processes so that they will not harm and destroy the environment and the larger community around us. While the year witnessed some unavoidable ups and downs, it had been a useful experience for us. We are now more determined than ever that we could do more to contribute constructively and positively to a sustainable future. There are many roads to Rome, but we are committed to taking the best route that is environmentally and sustainably friendly. And we hope to take our stakeholders along the same route possible.