RESEARCH FINDINGS

PROJECT TITLE:

Study on the Development of the Research and Development (R&D) Satellite Account for Assessing the Impact of R&D Investments and Expenditures on the Economy

Summary of Research Findings:

The study finds that Malaysia possesses a solid foundational capacity to develop an R&D Satellite Account, but significant structural and institutional gaps must be addressed to realise its full potential. While R&D expenditure has shown periods of strong growth, particularly driven by the private sector, recent volatility highlights the vulnerability of R&D investment to macroeconomic shocks and short-term business priorities. This reinforces the need to embed R&D within a stable, long-term measurement and policy framework.

The findings reveal that Malaysia's current R&D data landscape is fragmented across agencies, with inconsistencies in classification, reporting frequency, and sectoral coverage. Although R&D is recognised as capital formation within national accounts, the absence of a dedicated satellite account limits the ability to trace R&D flows, sectoral spillovers, and economic returns. International benchmarking confirms that countries with mature R&D Satellite Accounts are better positioned to evaluate productivity impacts, guide fiscal incentives, and strengthen innovation governance.

The study further finds that adopting an SUT-IOT-based framework would allow Malaysia to systematically integrate R&D into GDP, investment, and productivity analysis while preserving international comparability. Institutional coordination between DOSM, MOSTI, and other agencies is identified as critical for success. Overall, the research concludes that establishing an R&D Satellite Account would significantly enhance evidence-based policymaking, improve international reporting, and support Malaysia's transition towards a more innovation-driven growth model.

Project Leader:

Dr. Chakrin Utit

Co- Researcher(s):

Dr. Muhammad Daaniyall Abd Rahman
Prof. Dr. Wan Azman Saini Wan Ngah
Assoc. Prof. Dr. Nor Yasmin Mhd Bani
Emmy Farha Alias

Type of Grant:

Kajian Jangka Pendek, Kementerian Ekonomi

Sponsor/Funder:

Kementerian Ekonomi

Grant Amount (RM):

RM260,085.00

Publication Output:

1 Policy report
Rancangan Malaysia Ketiga Belas (RMK13) – Melakar Semula Pembangunan (2025)

1 Technical report
Malaysia R&D Satellite Account: Strategic Framework and Development Plan (2025)

Authors
Chakrin Utit, Muhammad Daaniyall Abd Rahman, Wan Azman Saini Wan Ngah, Nor Yasmin Mhd Bani, Emmy Farha Alias, Firdzan Nur Yassin Suparno, Amirul Hafiz Salim, Haarrin Rao Mohanan, and Nurul Nabilah Iskandar

Sustainable Development Goals (SDGs):

GOAL 8: Decent Work and Economic Growth
GOAL 9: Industry, Innovation and Infrastructure

Keywords:

Frascati Manual; System of National Accounts; Research and Development (R&D); Satellite Account; Malaysia

RESEARCH FINDINGS

Project Leader:

Assoc. Prof. Dr. Syamsul Herman Bin Mohammad Afandi

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Dr Nur Syafiqah Binti A. Samad (Umk)

Type of Grant:

National(Institut Penilaian Negara (INSPEN))

Sponsor/Funder:

Institut Penilaian Negara (INSPEN))

Grant Amount (RM):

RM4,000.00

PROJECT TITLE:

Economic Valuation Of Urban Green Spaces Using The Hedonic Pricing Approach: The Parks Of Kuala Lumpur

Summary of Research Findings:

This study investigated the economic value of UGS in KL. HPA aided by OLS regression were used to achieve the objectives of the study.

OLS regression is a global model and widely applied many economic valuation studies. With OLS application, the economic value of a non market UGS, in this case public parks of Kuala Lumpur is able to be estimated. Based on the HPM, house price is used to estimate the marginal implicit price of environmental (UGS) attribute in KL city. The distance between residential area and the parks were applied as the proxy for environmental attribute in the HPA model. The R2 value for OLS regression suggest a good hedonic pricing model analysing the UGS economic value.

For the distance variable, the OLS model suggest that three UGSs; Taman Persekutuan Bukit Kiara, Taman Tasik Permaisuri and Taman Rekreasi Bukit Jalil that were statistically significant. Except for Taman Tasik Permaisuri, all distance are negatively correlated. The negative sign shows that the decreasing distance to the UGS are unambiguously associated with increasing the house price.

The marginal implicit price for the distance between residential areas and public parks (Taman Bukit Kiara and Taman Bukit Jalil) are RM168,711 and RM571,692 respectively. This is subject to the decrease of 1km distance to the UGS

The results of this study clearly indicate that the distance between residential areas and two public parks (Taman Bukit Kiara and Taman Bukit Jalil) has important effects on the neighboring property values in Kuala Lumpur. Marginal willingness to pay subject to the marginal implicit price for each decreasing unit represents the preserving economic value of each parks. In that aspect, our interpretation of model results is straightforward and very similar to the ones made in the past studies.

The study has several policy implications. Firstly, HPA has signified that UGS of KL develops hedonic value as revealed by the marginal implicit price estimate. This knowledge facilitates the local authorities to their commitment to consistently conserve and preserve the UGS in Kuala Lumpur.

The finding helps in developing a comprehensive understanding of the non-market value, hence minimizing the market failure issue commonly experienced by public parks.In marklet failure, decisions on natural resources were made without the full understanding of the economic value. This exercise to estimate the economic value provide the knowledge in monetary unit (RM), hence justifies the need to have UGS for the public benefits. In addition, the economic benefits measured in the monetary unit provide the managing authorities justifications for consistent budget allocations in managing the UGS in Kuala Lumpur.

Publication Output:

1.Technical Report
2. Video montage (In the making)

Sustainable Development Goals (SDGs):

GOAL 11: Sustainable Cities and Communities

Keywords:

Urban greenery, sustainability, economic value, proeprty value

RESEARCH FINDINGS

Project Leader:

Dr. Soh Wei Ni

Co- Researcher(s):

Type of Grant:

Geran Penyelidikan Sekolah Perniagaan dan Ekonomi

Sponsor/Funder:

Universiti Putra Malaysia

Grant Amount (RM):

RM10,000.00

PROJECT TITLE:

How Fintech is Doing Innovations and Efficiency in the Banking Sector?

Summary of Research Findings:

Fintech (FT) exhibits a strongly positive effect on stock returns. Holding other independent variables constant, a 1% increase in FT investment leads to a rise in stock returns by 1.16 and 3.84 units in Models 1 and 2, respectively (coefficient *b*). This finding aligns with agency theory (Linder & Foss, 2015), which posits that banks possess the decision-making authority over FT funding to optimise stock prices, subsequently influencing investor evaluations. Empirical support for this relationship exists across multiple studies. Grieco (2017) demonstrates that innovation investments positively affect bank stock returns, while

Asmarani et al. (2020) confirm that both the frequency and value of FT funding enhance stock performance. Similarly, Carlini et al. (2022) show that R&D-driven innovation investment rounds yield favourable stock return outcomes. This study further contributes to the literature by revealing, through cross-country analysis, a statistically significant impact of FT financing value on stock market performance.

Publication Output:

Chowdhury, M. A., Soh, W. N., Abdul Rahim, N. B., & Johari, J. B. (2025). How fintech innovations shape investor evaluations of banking sector competitiveness in Asia? SCMS Journal of Indian Management, 22(1), 91–98.

Sustainable Development Goals (SDGs):

Keywords:

Fintech,investors' perception, moderating effect, country competitiveness and stock evaluation

RESEARCH FINDINGS

Project Leader:

Dr. Mohammad Noor Hisham Bin Osman

Co- Researcher(s):

Dr. Siti Zaidah Binti Turmin

Type of Grant:

Geran Penyelidikan Sekolah Perniagaan dan Ekonomi

Sponsor/Funder:

Universiti Putra Malaysia

Grant Amount (RM):

RM10,000.00

PROJECT TITLE:

Digital Competency of Accounting Students

Summary of Research Findings:

This study is in the process of collecting more data dan improvement, therefore, we can share only several findings:

- i.The mean digital competence score among future accountants is 4.611 over 6.000, which falls within the moderate range
- ii.First-semester students exhibit the highest level of digital competency (average 5.044 over 6.000)
- iii. Students whose parents hold bachelor's degrees, diplomas, or certificates reported higher levels of digital competency (with an average score of 4.5 out of 6 or above) compared to those whose parents hold master's or PhD degrees (who reported an average of 4.4 out of 6).
- iv.Students whose parental home located in rural areas reported higher levels of digital competence (mean = 4.783) compared to those from urban (mean = 4.585) and suburban (4.600)

Publication Output:

Sustainable Development Goals (SDGs):

GOAL 4: Quality Education

Keywords:

Digital Competency, Accounting Students, Malaysia

RESEARCH FINDINGS

Project Leader:

Prof. Dr. Law Siong Hook

Co- Researcher(s):

Assoc. Prof. Dr Mohd Naseem Niaz Ahmad

Type of Grant:

Geran Penyelidikan Sekolah Perniagaan dan Ekonomi

Sponsor/Funder:

Universiti Putra Malaysia

Grant Amount (RM):

RM10,000.00

PROJECT TITLE:

Effect of Aging on Fiscal Imbalances and Public Debt: Evidence from International Data

Summary of Research Findings:

The global demographic transition toward an ageing population presents significant fiscal, social, and economic challenges, particularly in high-income and upper-middle income countries. This study investigates the implications of an ageing population on public pension systems and healthcare expenditures, with a focus on sustainability and innovation. As dependency ratios rise, fiscal pressure on governments grows due to increased demand for elderly care, chronic disease management, and public pensions. These challenges are further exacerbated by urbanization and insufficient integration of technological advancements in healthcare delivery. This research adopts a quantitative approach using panel data analysis to evaluate the dynamic relationships between demographic shifts, government expenditures, and technological innovations. Data sourced from international and national databases over a 20-year period is utilized to assess the impact of ageing populations on fiscal sustainability. The study identifies critical factors influencing these dynamics, including urbanization rates, GDP growth, technological adoption, and labor force participation among older adults. Policy simulations are employed to project the fiscal impacts of interventions such as retirement age adjustments and the integration of community-based healthcare models. The findings emphasize the importance of adopting holistic strategies that combine active ageing initiatives, preventive healthcare, and public-private partnerships to mitigate fiscal burdens. By leveraging global best practices and tailoring them to local contexts can handle the challenges of demographic transitions while fostering inclusive and sustainable economic growth. This study contributes to the discourse on ageing populations by providing actionable insights for policymakers and highlighting the transformative role of innovation in addressing fiscal challenges.

Publication Output:

Siong Hook Law, Mohd Naseem Niaz Ahmad (2025) Effect of Aging on Fiscal Imbalances and Public Debt: Evidence from International Data. . Submitted to Borsa Istanbul Review.

Sustainable Development Goals (SDGs):

GOAL 3: Good Health and Well-being
GOAL 8: Decent Work and Economic Growth

Keywords:

Aging, Fiscal Imbalances, Public Debt, Healthcare expenditure

RESEARCH FINDINGS

Project Leader:

Dr. Lau Wei Theng

Co- Researcher(s):

Assoc. Prof. Dr. Nazrul Hisyam Ab Razak

Type of Grant:

Geran Penyelidikan Sekolah Perniagaan dan Ekonomi

Sponsor/Funder:

Universiti Putra Malaysia

Grant Amount (RM):

RM10,000.00

PROJECT TITLE:

Do Cash Flows Restraint ESG Value? Evidence from Firms in ASEAN

Summary of Research Findings:

The results of the diagnostic tests indicate problems with serial correlation and heteroskedasticity, which justifies the use of robust cluster standard error estimation. ESG performance varies significantly across economies according to descriptive statistics. When cash flow is taken out of the equation, regression results show that ESG, whether overall or by pillar, has a positive impact on firm value. When cash flow is taken into account, it consistently has a significant positive impact on firm value, frequently outweighing the direct effects of ESG. This supports the claim that cash flow is a prerequisite for value generation from ESG initiatives. The detrimental financial effects of ESG initiatives can also be mitigated by cash flow. Crucially, outcomes differ by ESG pillar and region. Only Emerging Asia is significantly impacted by the environmental pillar, most likely as a result of Advanced Asia's more stringent laws that make environmental compliance more of a requirement than a factor that adds value. In contrast, Siddiqui et al. (2024) found no discernible regional variations. Echoing Velte (2017), Tobin's Q exhibits limited sensitivity to ESG, indicating that timing and other factors may be taken into account in future studies.

Regardless of cash flow, overall ESG scores in the ASEAN region do not significantly impact firm performance. However, when operating cash flow is robust, each of the three pillars has a positive effect on performance. This suggests that since each ESG pillar has unique implications, it is necessary to evaluate them independently. These results contradict previous studies, including those by Fahima and Juwita (2023), who found the social and governance pillars to be value-diminishing and the environmental pillar to be non-impactful. While its absence may cause financial strain for businesses that heavily invest in ESG, cash flow seems to strengthen and accelerate the impact of ESG initiatives. All things considered, the study highlights how important cash flow is when analyzing the relationship between ESG and performance across various Asia Pacific subregions.

Cash flow is a crucial prerequisite for ESG initiatives to increase a company's value, both generally and for each individual pillar. ESG performance is positively correlated with firm value when operating cash flows are robust. On the other hand, since financial stability is necessary for successful ESG implementation, ESG initiatives may reduce value in businesses with cash flow issues. The environmental pillar of ESG has the greatest positive influence in emerging markets, most likely as a result of growing sustainability consciousness, compliance requirements, and reputational advantages. Positive contributions are also made by the social and governance pillars, with social initiatives boosting stakeholder trust and governance improving transparency and decision-making. The fact that these effects differ in strength by location, however, emphasizes the significance of contextual elements like market maturity and regulatory frameworks. The relationship between firm value and ESG is moderated by cash flow. While cash-strapped firms may see lower returns due to limited implementation capacity, firms with healthier cash flows are better able to leverage ESG investments for long-term gains. The results highlight how important it is for businesses to match their financial realities with their ESG strategies. While financially weaker firms must adopt a more strategic and selective ESG approach to ensure efficient resource use, well-capitalized firms can treat ESG as a value-enhancing investment.

Because of differences in market structures, governance norms, and cultural perspectives, the Asia Pacific region experiences different regional effects from ESG. When creating ESG frameworks, investors and policymakers should take these distinctions into consideration. Prior to pursuing ESG initiatives, managers should also evaluate internal financial capacity. The study suggests sector-specific analyses, comparing ESG ratings from various agencies to account for methodological variances, and investigating alternative estimation techniques to capture market dynamics in future research, which can aid in expanding knowledge of the importance of ESG in various structural and financial contexts.

__Publication Output:__

The results of the study have been published in the citation index journal related to the business finance. One article was published in the International Journal of Economics and Financial Issues, which is listed in Scopus, ABDC and ERA, in issue of Vol. 5 No. 14, 2025.

Lau, W.-T., Ab Razak, N. H., Chang, Y.-K., & Ng, S.-H. (2025). Unlocking ESG Value: The Role of Firm-level Cash Flow in Asia Pacific. International Journal of Economics and Financial Issues, 15(4), 207–216. https://doi.org/10.32479/ijefi.19431

__Sustainable Development Goals (SDGs):__

GOAL 8: Decent Work and Economic Growth

__Keywords:__

Environmental, Social, Governance, ESG Pillars, Cash Flows, Asia Pacific

RESEARCH FINDINGS

Project Leader:

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Co- Researcher(s):

Dr. Anitha Rosland
Assoc. Prof. Dr.Norashidah Mohamed Nor

Type of Grant:

Geran Penyelidikan Sekolah Perniagaan dan Ekonomi

Sponsor/Funder:

Universiti Putra Malaysia

Grant Amount (RM):

RM20,000.00

PROJECT TITLE:

The Affordability Elasticity of Cigarette Demand in Malaysia: Alternative Measurement for Cigarettes Taxation

Summary of Research Findings:

In Malaysia, cigarettes remain highly affordable, as demonstrated by the RIP index, which indicates that cigarette affordability in 2023 was just 3.2% of per capita GDP. The analysis of RIP trends reveals that affordability has remained consistently high over time. Additionally, the price elasticity of cigarette demand has increased compared to previous studies, influenced by the availability of substitutes, such as e-cigarettes, and the presence of illicit cigarette trade. The RIP coefficient on cigarette demand was found to be significant, highlighting affordability as another critical factor in sustaining cigarette demand, which should be considered in measuring the excise tax rate in Malaysia.
BORANG RINGKASAN DAPATAN KAJIAN
SUMMARY OF RESEARCH FINDINGS FORM
Conclusions: The findings emphasize the urgent need for the Malaysian government to implement consistent and substantial excise tax increases to make cigarettes unaffordable. Excise tax rates should be adjusted regularly, exceeding income growth and inflation, to ensure affordability decreases over time.
In line with the World Health Organization (WHO) recommendation, excise taxes must also account for at least 75% of the retail price of cigarettes. Such measures will mitigate smoking-related health and economic burdens and align with Malaysia's public health objectives.

Publication Output:

Bui, W. & Mohamed Nor, N. (2024, August 24) The Impacts of Cigarette Retail Price, Excise Tax and Affordability on Cigarette Demand in Malaysia. Paper presented at Global Conference of Business and Economic Research (GCBER) 2024, Swiss-Garden Hotel, Kuala Lumpur, Malaysia.

Bui, W. & Mohamed Nor, N. (2025). Evaluating cigarette demand and affordability in Malaysia: A call for strengthened tobacco taxation. Tobacco Induced Diseases, 23(Suppl 1). A608.

Sustainable Development Goals (SDGs):

GOAL 3: Good Health and Well-being

Keywords:

Cigarette Affordability, Cigarette Taxation

RESEARCH FINDINGS

Project Leader:

Dr. Hanna binti Ambaras Khan

Co- Researcher(s):

Assoc. Prof. Dr. Zuraina Dato' Mansor
Dr. Rosmah Mohamed
Dr. Nor Siah Jaharudin

Type of Grant:

Geran Penyelidikan Sekolah Perniagaan dan Ekonomi

Sponsor/Funder:

Universiti Putra Malaysia

Grant Amount (RM):

RM11,200.00

PROJECT TITLE:

The Awareness of Mediation as a Dispute Resolution Method for Business Entitiesin Selangor and Federal Territory of Kuala Lumpur

Summary of Research Findings:

The findings of the study indicate that awareness of business mediation among business entities in Selangor and the Federal Territory of Kuala Lumpur remains low, with the majority of respondents (60%) having never heard of mediation, and only one respondent (3.33%) having actually used it. Most disputes were resolved through internal discussions, negotiations, counselling, and standard operating procedures (SOP), while only one case involved mediation based on a lawyer's advice. The main barriers to the use of mediation include the perception that it is irrelevant until a conflict arises, a lack of trust in third parties, confusion between mediation and litigation, and concerns regarding the enforceability of mediated agreements.
Nevertheless, all respondents expressed interest and willingness to use mediation in the future if sufficient exposure and training are provided. They acknowledged the benefits of mediation, which include lower costs, quicker resolution, confidentiality, and the ability to preserve business relationships. Therefore, the study recommends strengthening business mediation in Malaysia through public awareness campaigns, incorporating mediation education into business training programmes, implementing policy incentives, and improving access to accredited mediators.

Publication Output:

1. Hanna Khan, - Artificial Intelligent (AI) in Business Mediation: A Tool to Empower Mediators Citation-Indexed Journal - ERA, Full Paper, Published, Human Resource Management Academic Research Society, International, [1-13], , 2025

2. A chapter in book titled “The Awareness of Mediation as a Dispute Resolution Method for Business Entities: A Qualitative Research” has not yet been published but has been accepted for publication.

Sustainable Development Goals (SDGs):

GOAL 16: Peace and Justice Strong Institutions

Keywords:

Artificial intelligence, Business Mediation, Mediation, Mediator

RESEARCH FINDINGS

Project Leader:

Dr. Zaidi Mat Daud

Co- Researcher(s):

Dr. Asna Atqa Abdullah
Yoshia Christian Mahulete
Meiryani

Type of Grant:

Geran Penyelidikan Sekolah Perniagaan dan Ekonomi

Sponsor/Funder:

Universiti Putra Malaysia

Grant Amount (RM):

RM7,920.00

PROJECT TITLE:

An exploratory Study on The Factors and Impact of Digital Transformation on Internal Audit Quality of the Malaysian Public Sector Organisations

Summary of Research Findings:

Digital Transformation & Internal Audit Quality

- Internal audit teams now review audit plans more frequently (twice a year) to stay flexible and responsive to changes.
- Auditors need basic digital skills to understand how technology affects processes and risks, even if they're not IT experts.

Emotional Intelligence in Auditing

- Auditors with strong emotional intelligence can manage their emotions better, work well with others, and help improve internal controls.
- When auditors have strong ethics and emotional intelligence, they are better at spotting fraud and maintaining audit quality.

Organizational Commitment & Audit Quality

- Auditors who feel committed to their agency are more likely to act with integrity and avoid misconduct.
- Loyal auditors tend to be more careful and responsible in their work, which leads to better audit results.

Publication Output:

In the progress

Sustainable Development Goals (SDGs):

Keywords:

RESEARCH FINDINGS

Project Leader:

Assoc. Prof. Dr. Mass Hareeza Ali@Hamid

Co- Researcher(s):

Assoc. Prof. Dr. Zuraina Dato' Mansor

Type of Grant:

Geran Penyelidikan Sekolah Perniagaan dan Ekonomi

Sponsor/Funder:

Universiti Putra Malaysia

Grant Amount (RM):

RM14,600.00

PROJECT TITLE:

Technology Transfer Office (TTO) and academic entrepreneurship roles towards enhancing commercialisation of innovation through Research University (Rus)

Summary of Research Findings:

-Severaal critical factors contributing to effectiveness technology transfer practices in Malaysia and involvement of academician that support best practices

-Base on empirical data, a theoretical position was formulated to explain the mechanism by Malaysian RU can effectively engaging academician particularly with entrepreneurship background with TTO whereby , will strenghthening the process

__Publication Output:__

Roszaimah Muhannad Sapah, Mass Hareeza Ali, Anees Janee Ali, Zuraina Dato' Mansor and Awang Rozaimie (2025). Strengthening the Commercialisation of Innovation among Malaysia Research Universities (MRUs): Roles of strategic Entrepreneurship and the Technology Transfer Office (TTO). Journal of Posthumanism 2(2025).

__Sustainable Development Goals (SDGs):__

GOAL 8: Decent Work and Economic Growth

GOAL 9: Industry, Innovation and Infrastructure

__Keywords:__

Technology Transfer Office, Entrepreneurship, Innovation

RESEARCH FINDINGS

Project Leader:

Assoc. Prof. Dr.Saifuzzaman Ibrahim

Co- Researcher(s):

Prof. Dr. Law Siong Hook

Type of Grant:

Geran Penyelidikan Sekolah Perniagaan dan Ekonomi

Sponsor/Funder:

Universiti Putra Malaysia

Grant Amount (RM):

RM12,500.00

PROJECT TITLE:

The Role of Human Capital in Reducing the Adverse Impact of Industrial Activities on Environment

Summary of Research Findings:

Employing the Two-Step System Generalized Method of Moments (GMM) estimator, along with a robustness check using the demeaned Two-Step System GMM, the study finds that higher levels of human capital significantly reduce the emissions intensity of industrial output. The results suggest that investments in education not only foster the diffusion of cleaner technologies but also enhance adaptive capacity and innovation, contributing to a more sustainable industrial transition. The study underscores the need for policy efforts to enhance educational quality and incorporate environmental and technological training, promoting the adoption of green technologies and sustainable production methods.

Publication Output:

An article has been submitted to International Journal of Economics & Management for a possible publication.

The Role Of Human Capital In Moderating The Impact Of Industrial Production On Co_2 Emissions

Afiqah Ramli*, Saifuzzaman Ibrahim, Siong-Hook Law, School of Business and Economics, Universiti Putra Malaysia, 43400 Serdang, Selangor, Malaysia.
*Corresponding author.

Sustainable Development Goals (SDGs):

GOAL 4: Quality Education

GOAL 12: Responsible Consumption and Production

Keywords:

CO_2 emissions, Industrial production, Human capital, System GMM, Demeaned Method

RESEARCH FINDINGS

Project Leader:

Dr Yusniyati Yusri

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Nur Syafiqah Hussin
Dr Aslam Izah Selamat

Type of Grant:

Geran Penyelidikan Sekolah Perniagaan dan Ekonomi - Siswazah

Sponsor/Funder:

Universiti Putra Malaysia

Grant Amount (RM):

RM10,000.00

PROJECT TITLE:

Green Innovation Disclosure and Firm Financial Performance: Malaysian Evidence

Summary of Research Findings:

The final version of a climate-related information disclosure index (CRIDi) comprises fourteen climate disclosure items, each with specific scoring rules and rationales under four pillars presented. Details of disclosure index is upon request from the researcher.

An instrument to assess climate-related information disclosure in the emerging Malaysian market was developed, in parallel with regulatory disclosure requirements. The adoption of the TCFD framework holds the potential to enhance the comparability and value relevance of information disclosed, both nationally and globally, as it has served as the primary reference for the development of the IFRS Sustainability Disclosure Standard.

The study found that the capital market reacted negatively to the announcement of the sustainability disclosure requirements by the regulatory body, but managed to cope well with the requirements, evidenced by the significant improvement in the climate information disclosed.

Publication Output:

1)Hussin, N. S., Yusri, Y., & Selamat, A. I. (2024). Amendment of regulation on sustainability reporting in Malaysia: An event study approach. Global Business & Management Research, Vol.16(4)

2)Hussin, N. S., Yusri, Y. & Selamat, A. I. (2024) , Decoding Climate Commitment: Unveiling Determinants of Climate-Related Disclosure Among Malaysian Firms In: Achieving Accountability and Sustainability in Accounting, Universiti Putra Malaysia Press, pp. 90-104.

3)Hussin, N. S., Yusri, Y., Awang, N. & Selamat, A. I. (2025) Advancing Climate Transparency and Accountability: TCFD-based climate reporting, Environmental-Behaviour Proceeding Journal, Vol. 10 No. SI28, pp. 3-8.

Sustainable Development Goals (SDGs):

GOAL 13: Climate Action

Keywords:

Climate reporting, innovation, sustainability, accountability, transparency

RESEARCH FINDINGS

Project Leader:

Assoc. Prof. Dr. Ridzwana Mohd Said

Co- Researcher(s):

Assoc. Prof. Dr. Fakarudin Kamarudin

Type of Grant:

Geran Penyelidikan Sekolah Perniagaan dan Ekonomi - Siswazah

Sponsor/Funder:

Universiti Putra Malaysia

Grant Amount (RM):

RM10,000.00

PROJECT TITLE:

The nexus firms' ESG practices and efficiency in selected developed and developing countries: Moderating role of earnings management.

Summary of Research Findings:

Based on the first stage DEA analysis, the finding reveals that manufacturing firms with ESG practices in emerging countries of APAC exhibit higher profit efficiency, revenue efficiency and cost efficiency as compared to firms in advanced APAC countries. Further, this study shows that ESG practices in aggregate and its individual pillar of environmental, social and governance has no significant impact on firms' efficiency for manufacturing firms in advanced countries. However, it shows that the sub dimension of environmental practices that is innovation practices significantly and negatively influence firms' efficiency. Interestingly, the findings confirm that ESG practices of manufacturing firms in emerging APAC countries significantly and positively affect the firms' efficiency for all total ESG and individual pillars of environmental, social and governance.

This study concludes that real earnings management fail to have any significant effect on the relationship between ESG practices and firms' efficiency for manufacturing firms in advanced APAC countries. On the contrary, the findings reveal the positive moderation effect of REAL on ESG practices and firms' efficiency in emerging APAC countries.

Publication Output:

1. Norazzie Md Zin, Ridzwana Mohd Said, Fakarudin Kamarudin/ 2025/ Unveiling the Landscape of Sustainability and Earnings Management: A Bibliometric Analysis of Scholarly Research/ Information Management and Business Review/ 342-358 (Published)

2. Norazzie Md Zin, Ridzwana Mohd Said, Fakarudin Kamarudin/ 2025/ Efficiency of Manufacturing Firms Practicing ESG: Comparative Study from Selected Advanced and Emerging Asia Pacific Countries/ International Journal of Economics and Management (Accepted)

3. Norazzie Md Zin, Ridzwana Mohd Said, Fakarudin Kamarudin/ Sustainability and Earnings Management: Mapping State-of-the-art Literature/ Terengganu International Business and Economics Conference (TiBÉC VIII) 2023/ 2023 -proceedings

4. Norazzie Md Zin, Ridzwana Mohd Said, Fakarudin Kamarudin/ Examining Cost, Revenue, and Profit Efficiency of ESG Practices Manufacturing Firms: Insights from Selected Advanced and Emerging Economies in Asia Pacific Countries/ AAGBS International Conference on Business Management 2024/ 2024 – presented

Sustainable Development Goals (SDGs):

GOAL 3: Good Health and Well-being
GOAL 8: Decent Work and Economic Growth
GOAL 9: Industry, Innovation and Infrastructure
GOAL 12: Responsible Consumption and Production
GOAL 13: Climate Action
GOAL 16: Peace and Justice Strong Institutions

Keywords:

ESG, Efficiency, Earnings Management Asia Pacific

RESEARCH FINDINGS

Project Leader:

Dr. Normaziah Binti Mohd Nor

Co- Researcher(s):

Type of Grant:

Geran Putra - Inisiatif Putra Muda(GP-IPM)

Sponsor/Funder:

Universiti Putra Malaysia

Grant Amount (RM):

RM30,000.00

PROJECT TITLE:

Customer concentration in Malaysia: Determinants and effects

Summary of Research Findings:

This study examines the factors that lead Malaysian public-listed companies to rely heavily on one or a few major customers (customer concentration), and how this affects their stock market performance and initial public offering (IPO) outcomes. The data covers nearly 600 listed firms between 2015 and 2024, grouped by market segment (Main Market and ACE Market) on Bursa Malaysia.

1. Determinants: ACE Market as a Key Driver of Customer Concentration
The study finds that customer concentration is much higher among companies listed on the ACE Market compared to the Main Market. Several reasons explain this pattern:

a)Capital Constraints:
Many ACE Market firms face limited access to financing. Because of this, they tend to depend heavily on a few major customers to maintain short-term cash flow and business continuity.

b)Cash-Out Motive:
The study reveals that many ACE IPOs are driven by founders wanting to reduce their shareholding (known as founder exit) within 12 months after listing. In many cases, customer concentration is used as part of the company's "story" to boost its value before the IPO.

c)Focused Growth Strategy:
ACE Market companies often grow by focusing on one large client, especially in sectors like technology, construction, and OEM manufacturing. This strategy helps them build a financial track record before trying to attract more customers.

2. Effects: Impact on Stock Performance and IPO Outcomes
The study also finds meaningful impacts on firm performance:

a)Customer Concentration and Stock Returns:
Firms with high customer concentration tend to perform worse in the stock market in the first three years after listing. However, this negative effect is less severe when companies have strong sustainability practices or global market exposure. This shows the importance of mediation and moderation factors in shaping outcomes.

b)Customer Concentration and IPO Performance:
Companies with highly concentrated customers are more likely to experience high IPO underpricing (i.e., the stock opening price is much higher than the IPO price). But their long-term share performance tends to decline. This suggests that retail investors may overestimate the benefit of key customer relationships without realizing the long-term risks.

c)Founder Exit Increases Risk:
Firms where founders reduce their ownership by 10% or more within a year after IPO and that also rely on one customer for more than 50% of revenue show the weakest stock performance in the sample. This may indicate cases of window dressing and overhyped growth stories before the founder exits.

Publication Output:

Normaziah Mohd Nor, Nazrul Hisyam Abd Razak (expected 2025). Effect of Customer Concentration on Malaysian Stock Returns: Mediating Impact of Sustainable Business Practices and Moderating Effect of Global Interdependence. In Global Interdependence, Inclusive Growth, and Sustainable Futures. Penerbit UPM. (Chapter in Book – in press)

Normaziah Mohd Nor (target 2026). Concentration by Design? How ACE Market Listing, Capital Constraints, and Growth Shape Customer Dependence in Malaysian Firms. (Journal article – in preparation)

Normaziah Mohd Nor (target 2026). Customer Concentration and Founder Cash-Outs: Unmasking the Illusion of Inclusive Growth in Malaysia's ACE Market. (Journal article – in preparation)

Sustainable Development Goals (SDGs):

GOAL 8: Decent Work and Economic Growth
GOAL 9: Industry, Innovation and Infrastructure

Keywords:

Customer concentration, stock returns, IPO performance, ACE Market, financial constraints, sustainability, founder exit

RESEARCH FINDINGS

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PROJECT TITLE:

Nurturing Strategic Entrepreneurship Within TTO to Enhance Commercialisation of Innovation Through Research Universities (RUs)

Summary of Research Findings:

Research findings are as follows:

1. Development of a framework for nurturing strategic entrepreneurship within Technology Transfer Offices (TTOs), aimed at enhancing the commercialization of innovation within Malaysian Research Universities (MRUs).

2. Several critical factors contributing to effective technology transfer practices in Malaysia were identified, highlighting key operational and strategic elements within TTOs that support best practices.

3. Based on the empirical data, a theoretical proposition was formulated to explain the mechanisms by which MRUs can effectively transfer technologies to industry, thereby strengthening university-industry linkages.

Publication Output:

Sustainable Development Goals (SDGs):

GOAL 8: Decent Work and Economic Growth

Keywords:

Technology Transfer Office, Strategic Entrepreneurship