International Journal of Administration and

Governance

ISSN- 2077-4486

Journal home page: <http://www.iwnest.com/> IJAG/

2016. 2(4): 1-7

**RSEARCH ARTICLE**

**Title**

**1Author and 2Author**

*1 Affiliation of second author, University, Country.*

*2 Affiliation of second author, University, Country.*

**Address For Correspondence:**

Author, Department, Faculty, University, Telephone, email.

Received 3 June 2016; accepted 10 September 2016; published 30 September 2016

|  |  |  |
| --- | --- | --- |
|  | **A B S T R A C T** |  |
| **Background:** write background about topic of paper. Objective: write the main objective for your paper. Results: write the main and most important results for your paper. Conclusion: write the main conclusion for your paper**Key words:** Environmental Audit, Awareness, Understanding, Malaysia. |

**INTRODUCTION**

Environmental audit is considered as global issues to gauge because it is associated with human activities and programs. Environmental audit is significant practices for improving environmental performance, as many peoples could benefits by enjoyment of earth’s beauty and importance to save a physical well-being of this nature inhabitants [5]. A number of environmental problems such as forest destruction, air pollution, acid rains, global warming, ozone depletion, hazardous waste and over-pollution have affect thousands of people [10]. As a result, the world now faces the continuous exhaustion of the earth’s natural resources and globalization. These problems also caused numerous effects to the country itself resulting from environmental disaster. The worst flooding in east coast and northern region, flash flood and landslides in Cameron Highlands had raised concern of deteriorating environment due to destruction of forests and hills and unplanned deforestation for housing development project. Consequently, forest degradation caused decrease in biodiversity, reduction of biomass, decline of productivity and the degradation of natural forest. Recently, Malaysia, Singapore and large expanses of Indonesia have suffered for weeks from acrid smoke billowing due to forest fires. This worsening haze situation affected human respiratory system, especially in people who already have chronic heart or lung disease. In fact, the National Aeronautics and Space Administration (NASA) reported that this environmental disaster was the worse haze that affected Malaysia since year 2005. Due to the magnitude of these disasters and

**Open Access Journal**

**Published BY IWNEST Publication**

**© 2016 IWNEST Publisher All rights reserved**

**This work is licensed under the Creative Commons Attribution International License (CC BY).**

<http://creativecommons.org/licenses/by/4.0/>

**To Cite This Article:** Masdiah Abdul Hamid and Qian Long Kweh., A Study On Awareness And Understanding Of Environmental

Auditing In Malaysia. **Int. J. Adm. Gov,** 2(4): 1-7, 2016

**International Journal of Administration and Governance**, 2(4) September 2016, Pages: 1-7

possible effects that the people could injured, loss of live and businesses, therefore intensive efforts have been taken by many countries, business corporation, non-profit organization as well as individuals to help deal with these environmental concern in order to preserve the environment. However, a number of disaster remains unchanged instead it getting worse. Therefore, comprehensive actions need to be taken to restore or improve environmental performance.

*Literature Review:*

Prior literature discussed more on environmental performance as a mechanism for environmental audit [18]. Study on the association between environmental performance and economic performance showed a positive relationship [2, 16] which indicates that pollution abatement and companies profitability are compatible. The study used Counsel Economic Priorities (CEP) to measure the environmental performance ratings for pulp-and- paper firms. Moreover, using CEP’s pollution performance ratings, [16] argued that environmental performance and economic performance are complements. This study found that organization activities with efficient resources used reduces risk to which capital markets are increasingly sensitive [12]. Furthermore, [13, 14] argued that if the organizations activities used inefficient resources which caused environmental pollution, this will resulted elimination of benefits to the environment. An integrated study on the interrelations among environmental disclosure, environmental performance and economic performance [1] found significant difference in estimating their interrelations. Based on OLS estimation, they claimed that only economic performance associated with environmental performance, while using a joint-estimation analysis found a positive relationship between good environmental performance and more extensive quantifiable disclosure of environmental information.

[19] conducted a study on understanding of environmental audit found that the public servants understand well of environmental audit and accompanied by serious efforts to highlight the importance of environmental audit among the public sector in Malaysia . In addition, environmental audit was emphasized as performance audit. The result obtained indicates that the performance audit is based on the efficiency and effectiveness of

**REFERENCES**

[1] Al-Tuwaijri, S., T.E. Christensen and K.E. Hughes II, 2004. The relations among environmental disclosure, environmental performance, and economic performance: a simultaneous equations approach. Accounting, Organizations and Society Journal, 29(1): 447-471.

[2] Bragdon, J., and J. Marlin, 1972. Is pollution profitable? Risk Management Journal, 19(1): 9-18. [3] Cahill, L.B., 1992. Environmental audit, 6th edition. Rockville Maryland: Government Institute.

[4] Chin Fuong, C and H. Abdullah, 2010. The implementation of ISO 14001 Environmental Management

System in manufacturing firms in Malaysia, Asian Social Science, 6(3): 100-107.

[5] Dittenhofer, M., 1995. Environmental accounting and auditing. Managerial Auditing Journal, 10(8): 40-51. [6] Environmental Quality Act, Act 127, 1974. Law of Malaysia.

[7] Hillary, R., 1998. Environmental auditing: Concepts, methods and developments. International Journal of

Auditing, 2(1): 71-85.

[8] International Auditing Practice Committee, 1995. The audit profession and the environment, New York, US. International Federation of Accountants.

[9] International Standard for the environment, ISO 14001:2015.

[10] Lee, M., H. Haron, M.H. Che Haat, N. Zaini, T.S. Ying, L.C. Lee and M.F. Nasar, 2009. Principles and

Contemporary Issues in Internal Auditing. McGrawHill.

[11] Maltby, J., 1995. Environmental audit: theory and practices. Managerial Auditing Journal, 10(8): 15-26.

[12] Narver, J., 1971. Rational management responses to external effects. Academy of Management Journal,

14(1): 99-115.