

CORPORATE SOCIAL RESPONSIBILITY IN NIGERIAN TERTIARY INSTITUTIONS: AN EMPIRICAL ASSESSMENT

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Abstract

Corporate social responsibility goes beyond legal compliance as it also has social, economic, ethical and philanthropic dimension hence, these perspectives have attracted social scientists to this concept. This paper shall explore the role of corporate social responsibility in Nigerian tertiary institutions. The sources of collecting data shall be both primary and secondary sources while the method of reaching the respondents is through the questionnaire designed using the 5 points Likert scale. The hypotheses shall be tested using the chi-square method. The paper concludes that corporate social responsibility promotes the corporate image and goodwill of tertiary institutions thus recommends that there should be upgrade of infrastructural facilities by the government so as to reduce the burden on institutions while funds be adequately provided to execute social responsibility activities.

Keywords: *Social Responsibility, Institution, Community, Environment.*

Introduction

The activities of every organization significantly contribute to the well-being of its environment. Hashimu and Ango (2012) argued that the routine and administrative activities of organizations have direct or indirect impact to the stakeholders ranging from employees, customers, host communities, government and the general public. More so, Igwe (2011) noted that the interactions between organization and its environment posed some social and economic challenges that if not properly handled could adversely affect the smooth operations of the environment.

Corporate social responsibility like most concepts in the field of social and management sciences has been faced with controversies as Shehu (2013) observed that the conceptual and theoretical dimensions of corporate social responsibility has been viewed from economic, social, political, demographic and legal angles thereby resulting to perspective problems thereby lacking uniformity in approach. Thus, these have resulted into arguments and counter arguments. For

example, emphasizing the significant of corporate social responsibility to the social economic development of every organization is like merely stating the obvious but its application over the years has been either subjected to legal compliance or philanthropist disposition.

Asemah, Okpanachi and Olumuji (2013) noted that the goodwill and corporate image of organizations requires the instrumentality of corporate social responsibility. This will not only promote productivity and efficient service delivery but also ensure peaceful co-existence within and outside the immediate environment. This also applies to tertiary institutions considering its pivotal role to the development of education on one hand and the socio-economic development of the society on the other hand. More so, Ukah (2014) noted that education facilitates the advancement of knowledge in pure, applied sciences and technical areas which serves as vehicle to the advancement of developing economies like Nigeria. Therefore, this paper shall explore the extent to which corporate social responsibility have helped in achieving these objectives.

Statement of the Problem

Baridam (1995) argued that being socially responsible by organizations would lead to mutual satisfaction by both the organization and its immediate environment through interaction. Though, Osaze (1991), Justin, Wadike (2013) noted that establishment of organizational objectives and corporate strategies should involve the immediate environment in which it operates so as to strategically address the likely complexities ranging from political, social, economic and environment problems but, defining the limits to which the policies and actions of organizations should cover in its drive for corporate social responsibility has been a challenge hence, posing the organizations to excessive agitations by the immediate communities. It is against this backdrop that the research is being carried out.

Objectives of the Study

This research is set to achieve the following objectives:

- i. To assess the role of corporate social responsibility to Nigerian tertiary institutions.
- ii. To appraise the relationship between corporate social environment and service delivery.
- iii. To explore the scope of corporate social responsibility by the institution.
- iv. To review the challenges of corporate social responsibility in institution.
- v. To make sound recommendations that will sustain efficient service delivery and community development.

Significance of the Study

This research will be of utmost significance to institutions of higher learning in Nigeria as the findings and recommendations shall serve as blue-print in consolidating their efforts in executing corporate social responsibility. More so, other corporate organizations shall find this paper useful as the methodological approach of this research will to a very large extent guide them in carrying out community development projects. This paper shall be relevant to all stakeholders directly or indirectly concern with corporate social responsibility such as the employers, employees, students, union members, community leaders, youth organizations, government and the general public as issues bordering on corporate social responsibility being discussed shall serve as a guide in their operations. Finally, potential researchers shall find this paper as relevant literature material.

Scope of the Study

This paper shall be restricted to Federal Polytechnic, Idah, Kogi State, Nigeria. The preference for this area is not only due to its convenience and flexibility but because of the empirical experiences of the authors in the area of corporate social responsibility on one hand and addressing the language barrier in reaching the immediate communities of Idah and Igalamela/Odolu Local Government Areas of Kogi State on the other hand. More so, the period of ten (10) years shall be covered that is, from 2006 – 2015. This period is reasonable enough to generalize the concept being carried out in this study area.

Research Hypotheses

To achieve the objectives of this study, the following hypotheses are stated in their null form:

- H1:** Corporate social responsibility does not play any role to Nigerian tertiary institutions.
- H2:** There is no relationship between corporate social responsibility and service delivery.
- H3:** Employment of immediate community members do not contribute to corporate social responsibility.
- H4:** Inadequate fund is not one of the challenges of corporate social responsibility in Nigerian tertiary institutions.
- H5:** Sustenance of efficient service delivery and community development could not be propelled through corporate social responsibility.

Conceptual Framework

Ayandele (2012) sees social responsibility as a form of self-regulation, conscious attempts and self-efforts carried out by organizations to sustain self-preservation and promotion of harmonious co-existence while Odetayo, Adeyemi and Sajuyigbe (2014) noted that corporate social responsibility also known as corporate conscience or social performance is seen as operational mechanism whereby organizational activities are carried out by responding positively to societal priorities and expectations with the commitment to meet the ethical standard of the society and the organizations.

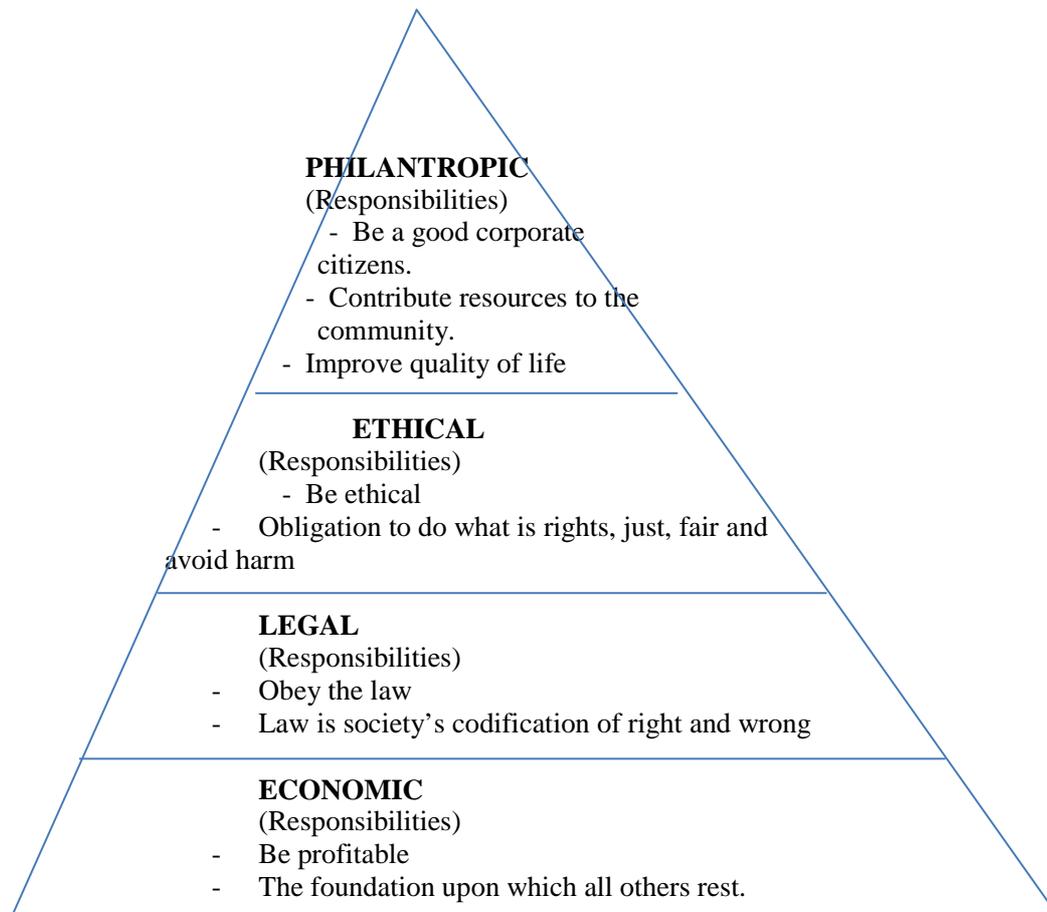
Ikporukpo (2001), Emeka, Adedoyin and Adeola observed that environment is totally human surrounding; Osibanjo (1998) sees it as man immediate surroundings. Therefore, since organizations cannot operate in a vacuum, its activities largely depends on the interaction with environment hence, harmonizing the interests of such organization and that of the society can only be achieved through the mechanism of corporate social responsibility. The World Economic Forum (2003) argued that corporate citizenship which is synonymous with corporate social responsibility is the contributions and other conscious efforts carried out by organizations through compliance to ethical business activities, social investment, philanthropic activities and other social or community efforts to improve the well-being of the citizens within the environment.

As Ikein (1990) observed that corporate social responsibility do not concern only the provision of essential services or other notable demand by the immediate community but, it also include the pro-activeness to promote public growth and development and ensuring the legal and social protection of the citizens through provision of goods and services that will not be detrimental to the health or social consciousness of the people.

More so, Justin and Wadike (2013) conclude that the broader approach to conceptualizing corporate social responsibility has four dimensions such as: economic, legal, ethical and philanthropic therefore these approaches must be fulfilled hence the mutual benefits of

organizations and its immediate environment through interaction become mutually detrimental. Consequently, it is pertinent to note that corporate social responsibility can only be successful if these angles are properly harnessed, analyzed and implemented with the consciousness to creating a balance between the organization and all stakeholders. Though, despite the benefits of corporate social responsibility there are various views in support and against it hence this paper shall also explore it.

Fig. 1: Carroll's Pyramid of Corporate Social Responsibility



Source: Carroll (1979), Justin, Wadike (2013)

The need for Corporate Social Responsibility

Wood (1991), Robins and Coulter (1999), Ayandele (2012) and Justin, Wadike (2013) noted that corporate social responsibility is needful because of the following:

1. Despite the view that corporate social responsibility is a Western Intervention, there is evidence that it has its root on Nigerian culture or community relation, affinity and ethical standard.
2. Societal problems can be translated into opportunities that could enhance profits.

3. Prevention is better than cure hence; being socially responsible could reduce the cost of damage resulting from conflicts.
4. Employee's satisfaction through enhanced salaries and wages, education and training peaceful environment would enhance their productivity.
5. Social responsibility role prevent public criticism and promote the public image of organizations.
6. If society's needs and expectations are met through social responsibility the environment could largely consolidate the efforts of the organization towards greater development.

Strategies towards Corporate Social Responsibility

Nnedu (1980) as cited by Igwe (2011) noted that corporate social responsibility can be approached through the following:

1. **Reactive approach:** The manager permits the social phenomenon to occur before resolving them.
2. **Proactive approach:** Due to the sensitivity of management of the organizations, they put every mechanism in place to prevent social problems while they also resolve it should it occur.
3. **Defensive approach:** The organizations as much as possible try to shift the responsibility to others and also deny the reality of social phenomenon in the environment.
4. **Cumulative approach:** This strategy allows the organization to permit glaring social problems to accumulate so that when they provide solutions they can be applauded.

Arguments for Corporate Social Responsibility

Corporate social responsibility has proponents with the view that its application is not detrimental to the organization as perceived instead it will create goodwill and long-term survival for the organization. For example, the societal expectations for both business and public organizations to be socially responsible are glaring hence meeting these expectations would rather promote peaceful co-existence in the organization. More so, there are already established laws and policies of government towards compelling most organizations to comply to social responsibility hence, in order to enable them operate effectively without attracting sanctions from the government must comply with such rules. Finally, most corporate organizations has the financial capability to be involved in social responsibility and also maximize profit hence their actions of being socially responsible can be justified.

Arguments against Corporate Social Responsibility

The argument against the implementation of social responsibility by organizations is that the funds being used are sometimes shifted to the beneficiaries through increase in the goods or services being rendered to them. More so, the compliance of social responsibility activities varies from one organization to another hence creating imbalance in their financial profile and profitability. Apart from these, most actors in the organizations are only agents who may not have the full right to spend such money without the approval of their principal, therefore, compelling them to be socially responsible is capable of creating internal conflict in such organization and consequently detrimental to the survival of the organization which on the long-run affects the general public. Finally, the management of organizations may not have the requisite skill to carry out certain

responsibility especially if it is outside the scope of their organizations hence affecting its sustainability.

Empirical Framework

This research finds it necessary to examine some empirical studies carried out by several authors on corporate social responsibility.

Table 1: Summary of some empirical studies on corporate social responsibility

Author(s)	Methodology	Major Findings
Uwalomwa and Ben-Caleb 2012	ANOVA, ordinary least square method	There is significant negative relationship between firm's financial leverage and level of corporate social responsibility.
Haliru 2012	Descriptive statistics	Islamic socio-economic system influences corporate social responsibility.
Alabi and Ntukekpo 2012	Frequency and percentage	Corporate social responsibility projects are not relevant and satisfactory enough to the need of the people.
Abdul-rahman, Sunday, Idowu and Oyefuga 2012	Simple percentage	There is low awareness of employees on sustainable development.
Hashimu and Ango 2012	Quantitative approach	There is weak customer's treatment and poor social obligations by Multi-National Corporations.
Oyetunde and Olusola 2013	Survey research design	There is positive influence of corporate social responsibility on peace and harmony in the organization.
Shehu 2013	Regression analysis	Corporate social responsibility improves investment opportunities.
Justin and Wadike 2013	Research questionnaire	There is moderate interest in corporate social responsibility.
Asemah, Okpanachi and Olamuji 2013	Qualitative research method	Corporate social responsibility helps organization to improve their image.
Odetayo, Adeyemi and Sajuyigbe 2014	Simple regression	Corporate social responsibility contributes to sustainable development of the society.

With these empirical reviews, it can be concluded that social responsibility of organizations are responsible to various groups which include: owners, investors, employees, suppliers, customers, government, competitors, community and the general public and the mutual co-operations by the organization and these groups is pivotal to the success of their objectives.

Corporate Social Responsibility in Federal Polytechnic Idah: Empirical Exploration

Though, the Federal Polytechnic, Idah in Kogi State, Nigeria like most tertiary institutions in developing economy like Nigeria has been faced with the challenges of inadequate fund, social problems ranging from heightened state of unemployment, inadequate basic infrastructure etc, but,

the institution over the years has been committed to various stakeholders through corporate social responsibility. For example, the admission policy through which catchment area is considered contributes immensely to the admission of indigenes and candidates from immediate community. Though, the efforts of building houses to be used as off-campus by students consolidates the accommodation problems bedeviling most tertiary institutions in Nigeria but the freedom being enjoyed in making vital decision especially fixing of rent by landlords is part of social responsibility. Other aspects of social responsibility include easy access to the use of pipe-borne water by the host community, creation of market and increased patronage by students in purchase of good and services, employment opportunity resulting from proximity of the institution to the immediate community. Hence, these efforts among other have been able to promote mutual understanding in the institution.

Methodology

The study was conducted in Idah and Igalamela/Odulu Local Government Areas and the respondents were the employees and students of the Federal Polytechnic, Idah and community members, which include the youths and other various interest groups within the community. The research adopted judgemental sampling where the three categories of respondents such as employees (40), students (40) and community members (40) making 120 as the total respondents were reached. However, only 108 questionnaires were duly completed and returned given the response rate of 90%. The 5 points likert scale, was used and the level of significance was 5% and degree of freedom was 4. The decision is to reject H_0 if X^2 -cal is $> X^2$ -tab.

Hypothesis One

Corporate social responsibility does not play any role to Nigerian tertiary institutions.

Table 2

Variables	(O)	(e)	(O-e)	(O-e) ²	$\frac{(O-e)^2}{e}$
SA	12	21.6	-9.6	92.16	4.27
A	14	21.6	-7.6	57.76	2.67
D	20	21.6	-1.6	2.56	0.02
SD	50	21.6	28.4	806.56	37.3
U	12	21.6	-9.6	92.16	4.27
Total	108	108			48.53

Source: Field Research (2016)

The result shows that X^2 -cal is 48.53 while the X^2 -cal tab is 9.488 at 5% level of significance and degree of freedom 4. Hence, the null hypothesis is rejected which means that corporate social responsibility play a significant role to Nigerian tertiary institutions.

Hypothesis Two

There is no relationship between corporate social responsibility and service delivery.

Table 3

Variables	(O)	(e)	(O-e)	(O-e) ²	$\frac{(O-e)^2}{e}$
SA	10	21.6	-11.6	134.56	6.23
A	12	21.6	-9.6	92.16	4.27
D	35	21.6	13.4	179.56	8.31
SD	43	21.6	21.4	457.96	21.20
U	8	21.6	-13.6	184.96	8.56
Total	108	108			48.57

Source: Field Research (2016)

The result shows that X^2 -cal is 48.57 while the X^2 -tab is 9.488 at 5% level of significance and 4 as the degree of freedom. Hence, the null hypothesis is rejected which means that there is relationship between corporate social responsibility and service delivery.

Hypotheses Three

Employment of immediate community members do not contribute to corporate social responsibility.

Table 4

Variables	(O)	(e)	(O-e)	(O-e) ²	$\frac{(O-e)^2}{e}$
SA	38	21.6	16.4	298.96	12.45
A	24	21.6	20.4	5.76	0.27
D	42	21.6	2.4	416.16	19.27
SD	4	21.6	-17.6	309.76	14.34
U	0	21.6	0	0	0
Total	108	108			46.33

Source: Field Research (2016)

The result shows that X^2 -cal is 46.33 while the X^2 -tab is 9.488 at 5% level of significance and 4 as the degree of freedom. Hence, the null hypothesis is rejected which means that employment of immediate members of the community members contributes to corporate social responsibility.

Hypothesis Four

Inadequate fund is not one of the challenges of corporate social responsibility in Nigerian tertiary institutions.

Table 5

Variables	(O)	(e)	(O-e)	(O-e) ²	$\frac{(O-e)^2}{e}$
SA	23	21.6	1.4	1.96	0.09
A	23	21.6	1.4	1.96	0.09
D	16	21.6	-5.6	31.36	1.45
SD	40	21.6	18.4	338.56	15.67
U	6	21.6	-15.6	243.36	11.27
Total	108	108			28.57

Source: Field Research (2016)

The result shows that X^2 -cal is 28.57 while X^2 -tab is 9.488 at 5% level of significance and 4 as the degree of freedom. Therefore, the null hypothesis is rejected which means that inadequate fund is one of the major challenges of corporate social responsibility in Nigerian tertiary institutions.

Hypothesis Five

Sustenance of efficient service delivery and community development could not be propelled through corporate social responsibility.

Table 6

Variables	(O)	(e)	(O-e)	(O-e) ²	$\frac{(O-e)^2}{e}$
SA	19	21.6	-2.6	6.76	0.31
A	50	21.6	28.4	806.56	37.34
D	20	21.6	-1.6	2.56	0.12
SD	10	21.6	-11.6	134.56	6.23
U	9	21.6	-12.6	158.76	7.35
Total	108	108			51.35

Source: Field Research (2016)

The result shows that X^2 -cal is 51.35 while the X^2 -tab is 9.488 at 5% level of significance and 4 as the degree of freedom. Therefore, the null hypothesis is rejected which means that sustenance of efficient service delivery and community development could be propelled through corporate social responsibility.

Suggestions for Further Studies

There are some empirical evidences on the studies being carried out on the concept of corporate social responsibility, but an in-depth study on tertiary institutions is still not adequate hence this research suggest that research of this kind be replicated in other tertiary institutions.

Conclusion and Recommendations

It would be observed from the foregoing that corporate social responsibility is not just legal compliance but also an ethical, philanthropic and economic move to enhance productivity and build harmonious co-existence in the institutions. Therefore, the paper concludes that corporate social responsibility has significantly contributed to the socio-economic development of Nigerian tertiary institutions. Consequently, the paper makes the following recommendations:

- i. There should be an operational guidelines relating to corporate social responsibility so that host communities be abreast of the efforts and limits of institutions in its execution of such programme.
- ii. There should be provision of adequate funds by government to cover community development projects.
- iii. There should be adequate enlightenment to all stakeholders especially the host communities on the benefits that could be achieved through sustenance of corporate social responsibility.
- iv. Nigerian state has been bedeviled with infrastructural decay and rising rate of unemployment over the years; hence effort should be made to address it so as to reduce the burden on institutions towards the communities.
- v. Community driven projects should be initiated and vigorously implemented through the instrumentality of public private partnership so as to consolidate efforts of government and institutions thereby promoting community participation in executing certain projects.

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