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## **CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE ECONOMIC DEVELOPMENT IN NIGERIA: EVIDENCE FROM THE NIGERIAN COMMERCIAL BANK AND MTN NIGERIA**

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### **Abstract**

*Corporate Social Responsibilities (CSR) has been a highly cotemporary and contextual issue to all stakeholders including the government, the corporate organization itself, and the general public. The public contended that the payment of taxes and the fulfilment of other civic rights are enough grounds to have the liberty to take back from the society in terms of CSR undertaken by other stakeholders. Most corporate organizations are concerned about what they can take out of the society, and de-emphasized the need to give back to the society (their host communities). This attitude often renders the entire community uninhabitable. However, the general belief is that both business and the economy and the society gain when firms actively strive to be socially responsible; that is, the business organizations gain in enhanced reputation, while economy and society gains from the social projects executed by the business organization. This study is therefore, intended to consider the imperative and benefits of CSR on the Nigeria economic development. The perceived gap supposedly created is harnessed and investigated for possible resolution, using the banking and communication industries as a case study. The research approach is both descriptive and analytical. Data collected for this study are from both primary and secondary sources, relying heavily on the relevant information available from both banking and communication sectors, and other sources. Tests were conducted using both regression and correlation analysis. The regression result reveals a strong and significant relationship between CSR and Societal Progress such that the relationship between CSR and*

*Societal Progress is statistically significant. It is thus concluded that CSR plays a significant role in Societal Progressiveness in terms of environmental and economic growth. The study recommends that, while improvement in the depth of participation by banking and telecommunication industries in economic and environmental development is desirable, they are encouraged to close ranks and forge common interest in addressing certain social responsibilities, especially those bothering on security and technological advancement of the polity.*

**Keywords:** *Responsibility, Sustainable Economic Development, Evidence, Nigerian, Commercial Bank, MTN Nigeria*

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## **Introduction**

At an earlier point in history, societal expectations from business organizations did not go beyond efficient resource allocation and its maximization. But today, it has changed and modern business must think beyond profit maximization toward being at least socially responsible to its society.

Today's heightened interest in the role of business in society has been promoted by increased sensitivity to the awareness of environmental and ethical issues. It means our society has become increasingly concerned that greater influence and progress by firms has not been accompanied by equal effort and desire in addressing important social issues including problems of poverty, drug abuse, crime, improper treatment of workers, faulty production output and environmental damage or pollution by the industries as it has overtime been reported in the media. It is therefore very essential for all to realize that public outcry for increased social responsibility will not disappear if business organizations fail to respond to the challenges these had posed for the society. In view of the perceived information gap, it is therefore worthwhile collating and aggregating in a more organized manner, the contributions of Nigerian corporations (using banking and communications industries as a focus) to the well-being of the society. This is necessary if only to show, in a graphic and mathematical ways that the industries seriously identify with the aspirations of the communities and the general public. In the early years of this century, two Americans independently and without knowing of each other were among the first businessmen in the world's history to initiate major community reforms.

The concept of sustainable development has been evolving and has received recognition in many organisations around the world. The Brundtland Report 1987 (World Commission on Environment and development) promotes the principle of sustainable development because of urgent needs to check and manage environmental degradation, population growth, resource depletion, loss of biodiversity and poverty. The Brundtland Report recommends that Business enterprise should adopt sustainable development as a central guiding principle since the principle was developed to deal with environmental, social and economic issues facing the world.

The Earth Summit in Rio 1992 that introduced Agenda 21 perhaps marks the start of sustainable development in business to meet the challenges of the 21st century. This led to formation of bodies like the World Business Council for Sustainable Development (WBCSD), Business Action for Sustainable Development that promote sustainable development among business community. These bodies promote sustainable business culture among companies integrating economic, social and environmental framework in their operations. The rapid adoption of sustainable business in many companies has provided opportunity to develop closer collaboration with government, communities and other stakeholders.

Mullerat and Brennan (2005) stated that en route sustainability and socially responsible businesses recognize the necessity to operate in an environmentally responsible manner and accept that environmental stewardship is part of large context of conducting business. This acceptance includes a willingness both to operate transparently and to engage actively seeking opportunities for improvement through the use of eco-efficient solutions, by developing new technologies, by employing life-cycle perspectives in resource and product stewardship and positively addressing biological diversity.

Organisations around the world that incorporate sustainable practices to strengthen their organisation goals have no doubt, increase shareholders values and building better global market share competition. In essence corporate organisations like this contribute to economic growth and political power of any notions.

### **Statement of the Problem**

Despite the fact that several policies and reports have been adopted by Nigeria to enhance CSR and sustainable development like the Brundtland Report 1987

(World Commission on Environment and development) promotes the principle of sustainable development because of urgent needs to check and manage environmental degradation, population growth, resource depletion, loss of biodiversity and poverty. Its recommendation that Business enterprise should adopt sustainable development as a central guiding principle since the principle was developed to deal with environmental, social and economic issues facing the world has not been implemented and or adopted by industries.

On the other hand, the formations of bodies like the World Business Council for Sustainable Development (WBCSD), Business Action for Sustainable Development that promote sustainable development among business community. These bodies promote sustainable business culture among companies integrating economic, social and environmental framework in their operations. Most industries in the country have failed to adopt its tenets, if not, it would have provided the opportunity to develop closer collaboration with government, communities and other stakeholders.

The economic realities ahead are such that ‘social needs’ can be financed increasingly only if their solution generates commensurate earning which precisely is what business is known for. We can actually say firms involved in Corporate Social Responsibility are actually not regretting because of the increase it has made on their sales leading to profit and how they have impacted the environment.

From the foregoing therefore, the following research questions will guide our study:

1. Has the Communication and Banking Industries in Nigeria practice CSR?
2. To what extent has their practice contribute to sustainable economic development in Nigeria?

### **The Concept of Corporate Social Responsibility**

The Bali Roundtable on developing countries in 2002 recognized the business sector as a primary driver of economic development and the World Summit For Sustainability identified business involvement as critical in alleviating poverty and achieving sustainable development. Corporate social responsibility has to do with an organization going out of his way to initiate actions that will impact positively on its host community, its environment and the people generally. It can be seen as a way of acknowledging the fact that some business fall outs

have adverse effects on the citizens and society and making efforts to ensure that such negative impact are corrected.

Posk, et al (1999) as a matter of fact, believe that corporate social responsibility means that a corporation should be held accountable for any of its actions that affect people, communities, and its environment. It implies that negative business impacts on people and society should be acknowledged and corrected, if possible. It may require a company forgoing some profits if its social impacts are seriously harmful to some of its stakeholders or if its fund can be used to promote a positive social good.

### **Implicit Versus Explicit Corporate Social Responsibility**

Matten and Moon (2004) presents a conceptual framework for understanding corporate social responsibilities the, 'implicit' versus the 'explicit' corporate social responsibilities. Explicit CSR is about corporate policies with the objective of being responsible for what the society is interested in. Explicit CSR can for example be voluntary, self-interest driven corporate social responsibilities policies and strategies. Implicit CSR is a country's formal and informal institutions that give organizations an agreed share of responsibility for society's interests and concerns. Implicit CSR are values, norms and rules which result in requirements for corporations to address areas that stakeholders consider important. Business associations or individual organizations are often directly involved in the definition and legitimization of this social responsibility requirement.

### **The Three Components of Sustainability - The Triple Bottom Line**

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs (World Commission on Environmental and Development, 1987). The triple bottom line is considering that companies do only have one objective, profitability, but that they also have objectives of adding environmental and social value to society (Crane and Matten, 2004).

The concept of sustainability is generally regarded as having emerged from the environmental perspective is about how to manage physical resources so that they are conserved for the future. Therefore, economic sustainability is about the economic performance of the organization itself. A broader concept of economic sustainability includes the company's impact on the economic

framework in which it is embedded. The development of the social perspective has not developed as fast as the environmental and economic perspectives. The key issue in the social perspective on sustainability is that of social justice.

It can be seen from above that economic and environmental sustainability involved in the concept of externalities is mostly engendered in the importance placed by comparatives in the concept of social responsibilities. The European Foundation for Quality Management [EFQM] defines CSR as “a whole range of fundamentals that organizations are expected to acknowledge and to reflect in their actions. It includes among other things respecting human rights, fair treatment of the workforce, customers and suppliers, being good corporate citizens of the communities in which they operate and conservation of natural environment”. These fundamentals are seen as not only morally and ethically desirable ends in themselves and as part of the organization’s philosophy; but also as key drivers in ensuring that society will allow the organization to survive in the long term, as society benefits from the organization’s activities and behavior” (The EFQM Framework For Social Responsibility, 2004).

CSR is the concept that an organization needs to consider the impact of their operations and business practices on not just the shareholders, but also its customers, suppliers, employees, members of the community it operates in, and even the environment. It is a way of saying thank you and expressing appreciation to all stakeholders in the business. It is a conscious effort to give back to the society in which the corporation has benefitted immensely.

According to United Nations - Department of Economic and Social Affairs (UN-DESA 1999a), Nigeria's approach to sustainable development received a boost from the establishment of the VISION 2010 Committee in 27th November, 1996. The committee set out long term policies to develop socio-economic need of the country to meet global development. The Nigeria National Agenda 21 document was designed to address the environmental implications of these developmental programmes (UN-DESA 1999a). These blue prints and global agenda transformed the thought of many firms in Nigeria to implementing sustainable business policy.

In recent time, the concept of sustainable development is evolving in many business organisations in Nigeria and this is contributing remarkable change in the way business is done in the past. However, the vast majority of business enterprises that adopt sustainable business in Nigeria are from the oil and gas, telecommunication and banking industries. Many of these companies integrate

sustainable development principle into their corporate social responsibility agenda trying to create a balance between economic, environment and social values.

## **Social and Economic Development**

Socio-economic development is the process of social and economic development in a society. Socio-economic development is measured with indicators, such as GDP, life expectancy, literacy and levels of employment. Changes in less-tangible factors are also considered, such as personal dignity, freedom of association, personal safety and freedom from fear of physical harm, and the extent of participation in civil society. Causes of socio-economic impacts are, for example, new technologies, changes in laws, changes in the physical environment and ecological changes.

## **Responsibilities of a Firm**

To achieve set objectives, every firm owes various duties to all the stakeholders, and these must be fulfilled. These responsibilities are discussed below:

- Duty to protect the well-being of people in its environment. A firm's primary duty is to protect the well being of those living in its environment; its operations or practice. For example, a firm wishing to carry out banking business must first be incorporated under the Companies and Allied Matter Act (CAMA), 1990 and then valid licence from the governor of the Central Bank of Nigeria (CBN). Its operations should be in line with the provisions of the Bank and Other Financial Institutions Acts (BOFIA), 1991, the CBN Act, the Nigerian Deposit Insurance Corporations (NDIC) Acts, the Money Laundry Act 2004 and other banking laws.
- The firm should produce goods and services that are not harmful to the people. A manufacturing company should not produce goods that may cause death to people. Similarly, in the course of maximizing profit, a bank should not finance illegal projects, say, provide finance for the illegal purchase of ammunition, or abeit illegal transfer by unpatriotic citizens or politicians.
- A firm should not deceive others. Deception, in this way, can take various forms, namely; failing to include all the required quantities and quality materials for producing a particular product, but may still indicate on the package that the

normal quality were involved; colluding with the external auditor to render false financial statements to shareholders, regulating authorities and members of the public, with a view to declaring false profit; preparing two sets of accounts or returns, i.e. accurate and false accounts, and sending the false one to the regulatory authorities and the accurate one to the shareholders, to conceal some facts in the course of bank supervision and examination.

- An organization should enter into fair binding contract with its customers, creditors, employees, suppliers etc. all terms and conditions of the contract should be well stated by the firm and well understood by the parties concerned. It is important for a firm to discharge its duties under the contract at all times. For example, a customer granted credit facility should be allowed to repay under the agreed terms and conditions for which the loan was granted.
- Duty to make reasonable return to shareholders in accordance with the level of investment. The ordinary shareholder takes the highest risk in business, hence it is the duty of management of a company to utilize the resources of the company effectively to generate profit, the bulk of which should go to the ordinary shareholder. The firm should ensure that the market price of the company's share is attractive to the public. When this is done, the owner's economic welfare is maximized through high return on capital usually reflected on the market price of shares of the company.
- Duty to minimize harmful effect of substance. In the course of doing business, firms are bound to engage in activities whose effects may be harmful or distasteful to the members of the organization and the public. For example, hospital, police, radio, and television stations, telecommunication business provide twenty-four hours service to their customers and client, an indication that the employees of these organizations must be on duty every hour of the day. To be effective and efficient, there is need for shift duty. Although coming to work at night or very early in the morning might not be palatable with all employees, this is inevitable; thus, a fair compensation, in terms of shift hazards and inconvenience allowances, should be paid to the employees concerned. This will strengthen their commitment. Similarly oil and gas industries should pay high compensation to the people living in the area where oil and gases are produced, as this could compensate for the environment degradation of the area and other problems encountered by the people living in the community. Also bank staff that work outside the normal banking hours should be paid compensation allowance.



- Duty to pay reasonable salaries and wages to the employees. It is the duty of the firm to use the revenue generated from its business activities to pay fair and reasonable compensation in the forms of salaries and allowances to workers. This should be commensurate with the services rendered. However, it will be unethical, unfair and an act of irresponsibility for a firm to ask the workers to perform task that will expose them to serious danger, risk, or unprofessional practices, all in the interest of robust salaries and allowances. For example, a situation where banks set unachievable deposit targets for staff by employing ‘beautiful’ ladies and ‘handsome’ men to run after money-bags to attract deposits. This encourages fraud and prostitution. A staff that fails to meet the target knowing full well that he would be sacked might resort to stealing to raise more funds or resort to prostitution. In like manner, a firm that pays reasonable returns on capital will enjoy continuous investment of shareholders.
- Duty to use part of the firm’s profit to provide amenities that promote the common good of the community in which it operates.
- Duty to embark on projects that brings about the expansion and improvement in the company’s operations. Firms that expand create additional employment opportunities to the community, and this will lessen crime rates. Similarly goods are made available at affordable prices, thereby meeting the needs and satisfaction of the consumers. This encourages good standard of living of people in the community.
- Duty to honor obligations to the government in terms of payments of taxes and levies, thereby making fund available to the government to provide infrastructure facilities and meet the recurrent expenditures with a view to promoting national development.

### **Social Responsibility to Stakeholders**

An organization should fulfil its social responsibilities to the following stakeholders for it to achieve its set objectives. For instance, using a Bank as a case study, the stakeholders will include:

#### **a. Customers**

- Offer efficient services
- Make savings and withdrawals of money less time consuming by reducing the waiting time;
- Ensure adequate liquidity so that cash withdrawals is met promptly;
- Pay competitive rate of interest on saving and deposit, in line with the CBN’s credit and monetary guidelines;
- Charges reasonable interest rates and commissions;

- Ensure safety of deposit so much so that the customers can deposit his money in the bank and go to sleep;
- Provide a conducive environment for banking activities, e.g. spacious and well ventilated banking hall, security for valuables and vehicles within the bank premises' and
- Make secret of the affairs between the bank and customers to protect the interest of the customers.

#### **b. Shareholders**

If banks are to guarantee continuous investment of their shareholders, they have the duty of:

- Ensuring effective performance by utilizing the capital invested in the bank to maximize profit.
- Paying good dividends, i.e. reasonable returns commensurate with the capital investment. Maximizing the owner's wealth by ensuring good market prices of the shares of the bank in the stock market;
- Ensuring safe investments through good and sound management to prevent distress;
- Issuing bonus share from time to tome;
- Keeping the shareholders informed of the bank's performances through annual general meetings, newsletters and information bulletins.

#### **c. Employees**

- Provide a conducive working environment i.e. make available modern working tools and equipment, ventilated offices, good infrastructure, decent and official cars, health and safety equipment at the workplace etc;
- Pay competitive salary remuneration commensurate with the level of commitment
- Offer opportunities for career development, e.g. inducement for taking professional examination;
- Train and develop employees through continuous learning at seminars, conferences, workshop, with the view to update their knowledge base, to meet rapid changes in the banking environment.;
- Keep employees adequately informed on the policies, procedures and rules relating to day-to-day banking operations. This can be done through newsletters, bulletins, meetings, etc;
- Involve employees in decisions affecting them, to ensure their total commitment and loyalty;

- Maintaining equal opportunities among employees, i.e. there should be no preferential treatment or favourism;
- Establish clear cut bargaining and grievance procedures that will be known and followed by all employees.

**d. Government**

- Being a responsible corporate entity or citizen, provide credit facilities to various sectors of the economy, with a view to ensuring the economic development of the country;
- Comply with the laws and regulations prescribed by regulatory authorities like the Central Bank of Nigeria, the Nigeria Deposit Insurance Corporate, etc;
- Assist government in funding and promoting social activities, such as sponsoring sports programmes, contributions towards combating diseases e.g. AIDS, etc.

**e. The Public**

Banks are socially responsible to the banking public, in general, and members of the community in which they are situated, in particular, in the following ways:

- Development of the environment through provision of basic facilities like good drinking water, donations to development associations, bringing banking services to the rural areas, indigenous lending, etc.
- Creation and maintenance of employment opportunities to qualified members of the community. This encourages loyalty, commitment and cooperation from the community.
- Participation in community activities, such as donations to community to celebrations, awarding scholarship to deserving members of the community, etc, and
- Using the skills of employees to develop charitable goods and services.

**Modern Corporate Social Responsibility**

Modern CSR was born during 1992 Earth Summit in Rio de Janeiro when United Nations sponsored recommendations on regulation were rejected in favour of a manifesto for voluntary self-regulation put forward by a coalition of companies called the World Business Council for Sustainable Development (WBCSD). Its version of events was endorsed by the US, the UK and other Western governments. The British government for example, is still a vocal supporter of voluntarism. Such resistance to regulation seem to have left the

worst corporate abusers effectively unrestrained and the victims of their actions adequate means of redress.

Whatever responsible initiatives companies choose to carry out on their own behalf binding international standards of corporate behavior must be established to guarantee that the rights of people and the environment in developing countries like Nigeria are properly protected. It is hence recommended that there should be international regulation backed up by national legislation, to ensure the enforcement of real social responsibility on the corporate world. Introducing the threat of prosecution and legal action with resulting detailed disclosure of company documents would create powerful incentives for companies to behave responsibly. At a national level, Government should

- Adopt new laws to make corporate social and environmental reporting and disclosure mandatory for British companies including the disclosure of payments to overseas government, information on the social and environmental impact of overseas operations and details of legal actions against companies.
- Frame new responsibilities for companies directors to give them a ‘duty of care’ for communities and their environment, making them legally accountable for the actions of their companies overseas.
- Change the law to enable people harmed by British companies’ overseas operations to seek redress in UK court and to provide the resources to enable them do so.

### **Corporate Social Responsibilities in Nigeria**

To be able to understand CSR from a Nigerian perspective it is of value to explore the drivers for, and the history and development of CSR in Nigeria. The World Business Council for sustainable Development has discussed CSR with business and non-business stakeholders in a number of countries in the world with the objective of understanding local perspectives better and to get different perceptions of what CSR should mean from a number of different societies (<http://www.cecodes.org.co>).

One important finding in this study was that people were talking about the role of the private sector in relation to a social agenda and they saw that role as increasingly linked to the overall well-being of society. Therefore the chosen priorities differed according to the perception of local needs. The key CSR issues identified in the study included Human rights, Employee rights, Environmental protection, Community involvement and Supplier relations. The

book “Corporate Citizenship in Developing Countries” (Pedersen and Huniche, 2006) contains a chapter about revisiting Carroll’s CSR pyramid from a Nigerian perspective. Most of the research on Carroll’s CSR pyramid has been in an American context and in this report an attempt is made to look on how CSR manifests itself in a Nigerian context. In Nigeria, economic responsibility still get the most emphasis while philanthropy is given second highest priority, followed by legal and then ethical responsibilities.

According to the report there are many reasons for this. Firstly, the socio-economic needs of the Nigeria societies in which companies operate are so huge that philanthropy has become an expected norm. Companies also understand that they cannot succeed in societies that fail. Secondly, many Nigerian societies have become dependent on foreign aid and there is an ingrained culture of philanthropy in Nigeria. A third reason, according to the report, is that CSR is still at an early stage in Nigeria, sometimes even equating philanthropy. It is important to stress that in Nigeria philanthropy is more than charitable giving. HIV/AIDS is an example where the response by business is essentially philanthropic but clearly in companies own economic interests. The low priority for legal responsibilities is, according to the study, not due to the fact that Nigeria companies ignore the law but the pressure for governance and CSR is not so immense. Ethical perspective seems to have the least influence on the CSR agenda. This is not to say that African businesses are unethical. For example, the King Report in 2003 (<http://www.corporate compliance. org>) was the first global corporate governance code to talk about ‘stakeholders’ and to stress the importance of business accountability beyond the interests of shareholders.

There are numerous ways of implementing CSR in an organization. CSR practices can address environmental issues, social issues or both. The implementation can be done by integrating CSR in the business or it can be run as a project. Sometimes there are CSR strategies and policies framing the CSR agenda, sometimes there are not. According to World Business Council for sustainable Development (Lohman and Steinholtz, 2003) an active CSR work might include areas such as:

- The management of the organization clearly declares its views and obligations towards the society and its stakeholders.
- The organization develops and implements clear policies.

- The organization has rules for purchasing including social and environmental concerns.
- The organization reduces its “ecological footprints”, both in production and in the process of production.
- The organization has objectives with regard to environmental and social concerns.
- The organization shows an active engagement with regard to the development of its local society.
- Consumers are educated on how products ought to be used.
- The organization informs about all its different business areas in a transparent manner.

For most businesses operating in Nigeria whether small or large, local or national, the transaction cost of operating is often unpredictable. At the heart of this difficulty is the obvious problem of operating in a low trust economy. For many businesses the cost of paying upfront on cash flow or delayed payment; the difficulty of investing in people development; the challenge of high volume cash transactions are all part of a severely eroded social capital. At the core of this issue is the role of business partnership with government and others to exemplify and model behaviors that restore optimism and improves trust. The challenges that face a business in Nigeria are unique because CSR can probably not be optional in such a climate. In a country where the social, health, education and environmental needs are so prevalent, where government resources are so stretched, where everyday people live on the breadline, business any other way is not only unethical, it is most probably not sustainable.

### **Implementation of Corporate Social Responsibilities in Nigeria**

Annually, limited liability companies in Nigeria give reports of their social responsibility efforts. These are in four major identifiable areas; viz:

- a. The immediate environment of the company where the interest of the neighbours of the given companies are taken care of as much as is practicable (Bello, 1988)
- b. Locating worthy national or state activities to support. In this respect, educational, sporting and cultural activities are sponsored by companies as forms of social responsibility. Also, scholarships, training facilities, and other forms of support are often provided for students.

c. Responding to major disasters. Such disasters may originate from nature or it may be accidental like the bomb explosion at the Ikeja cantonment on Sunday, January 27, 2002. In the oil industry, there had been several reported cases of oil spills damage farmlands, crops, forests and water. Others like fire, flood, drought and erosion are also responded to various types of materials are made available to victims of such disasters.

d. Diversification of activities to areas of importance in the nation's economic development. For example, Guinness plc invested funds in two major eye clinics in Nigeria, and Texaco Oil Producing and Marketing Company diversified into agricultural activities of cultivating cassava and processing Garri [Cassava flour].

Before the United Kingdom developed its CSR policy, Gordon Brown, prior to becoming the prime Minister said; today CSR goes far beyond the old philanthropy of the past, donating money to good causes at the end of the financial year and is instead an all year round

responsibility that companies accept for the environment around them... now we need to move towards a challenging measure of corporate responsibility, where we judge results not just by the input but by its outcomes: the difference we make to the world in which we live, and the contribution we make to poverty reduction" (Corporate Social Responsibility - A Government Update: [www.Csr.gov.uk](http://www.Csr.gov.uk)). There is no doubt the committee saddled with the responsibility of developing a CSR policy for Nigeria will learn from the countries (especially developing ones) that have adopted and are implementing such policies successfully.

Prior to the above declaration of the Federal Government, Nigeria did not have a CSR policy. Several companies operating here took the initiative to develop a CSR guideline or code for themselves. It is not out of place for a study to have found that indigenous firms perceive and practice CSR as corporate philanthropy aimed at addressing socio-economic development challenges in Nigeria. This finding confirms that CSR is a localized and socially embedded construct, as the 'waves', 'issues' and 'modes' of CSR practices identified amongst indigenous firms in Nigeria reflect the firms' responses to their socio-economic context" (Amaeshi et al: 2006).

One of the leading telecommunication companies in Nigeria, MTN Nigeria, developed a CSR policy direction document in 2004 in conjunction with a consulting outfit. The company has since gone ahead to establish MTN

Foundation to lead its CSR policy implementation locally. A search for Best Practices in Corporate Social Responsibility by indigenous firms in Nigeria by Dotun Atilade, mentioned that elements of social responsibility include investment in community outreach, employee relations, creation and maintenance of employment, environmental responsibility, human rights and financial performance. It is about producing and / or delivering socially and environmentally responsible products and /or services in an environmentally and socially responsible manner while openness, accountability and transparency are some of the new key words covering a vast range of issues.

At Zenith Bank, Corporate Social Responsibility is not just a buzz word; it's a way of life. To emphasize this belief Zenith Bank set up Zenith philanthropy, a fully functional department responsible for identifying areas, sectors and causes of the serving of philanthropic aid. Zenith philanthropy is the channel through which Zenith bank gives back to the society. Zenith bank sees giving back to society as a serious and passionate cause. Today CSR goes far beyond the old philanthropy of the past donating money to good causes at the end of the financial year, but rather, an all year round responsibility that companies accept the environment around them for the best working practices for their engagement in their local communities and for their local communities and for their recognition that brand names depends not only on quality, price and uniqueness but on how cumulatively they interact with companies work force community and environment.

There are a lot of damages these companies are doing to the environment like local air pollution such as particulates, and the damage caused by the over-use and pollution of fresh water, the "social impacts" such as the migration of people driven out of affected areas , the toxic waste heavy waters users like food, drink and clothing companies are releasing into the environment. The aim of this study is to encourage and help investors lobby companies to reduce their environmental impact before concerned governments act to restrict them through taxes or regulations.

Literally, Nigerian banking industry and telecommunication industry today operate in what can be described as the "enemy's territory", with hardly any identifiable friend in the polity. Everyone has an axe to grind with them, the fact that they are needed to foster individual and collective business growth notwithstanding. While government sees them as being selfish and responsible



for most of the problems of the economy, the regulatory authorities look at them and their operators with suspicion.

To the public, employees of banking industry and telecommunication are privileged, over-pampered and over-paid “cheats” and “liars” who thrive at the expense of the rest of the society. Banking industry and the telecommunication industry are seen as making “huge” profits in a depressed economy. In effect, they are milking the economy dry instead of growing it. This perception is in fact miles away from the impression of renowned economist of yester-years. They are believed to foster economic growth in any economy. Adams Smith (1910) left no doubt as to what the role of banks in economic growth should be. However, the allegations levelled against banking and telecommunication industries can never be wished away and these are impacting negatively on their images. The segregated, individualistic image promotion efforts of the banking and telecommunication industries cannot reasonably change the prejudice of the public. Nigerian banks in reality may be ranking among the best in terms of good corporate citizenship and social responsibility efforts vis-à-vis other sectors of the economy.

Whether in the quantum of taxes and levies paid; employment; health services, sports, arts and culture, or other community development, activities etc, Nigerian banking and telecommunication industry have continued to make enormous contributions to the development of the economy and society. But all these have remained largely unsung or noticed, save for individual banks’ publicity efforts in prosecuting.

Over the years, many businesses in Nigeria, especially, telecommunication companies, manufacturing companies, but mainly banking institutions have spent millions of naira as their contribution towards protecting the environment, provision of infrastructures in host communities, outright charities such as donations of relief materials to refugees or disaster victims, as well as scholarship schemes and sponsorship of sport programmes. Although, most of these companies try to publicize these contributions, their main stakeholders, namely, the host communities, local, state and federal government are usually not aware of their effort.

It is obvious that virtually all the companies in Nigeria have paid lip service to corporate social responsibility. Corporations have inundated the people with business promos through advert blitz that are primarily geared towards increased sales and enhanced profit. They continue to give the impression that the people are being empowered. These pretentious acts have actually progressively emasculated the lean financial resources of the poverty stricken

people, because they spend so much money to purchase variety of products without winning any of the specified prizes. A dangerous dimension that has been entrenched in this pretention which has implanted negative influence on the consciousness of the people cannot be overlooked. A company that surreptitiously promotes promiscuity via its promos laden with seductive dresses and amorous innuendoes and gesticulations cannot be said to be socially responsible.

In like manner, a company that places a public notice in its premises that “cars parked at owners risk” is exhibiting the height of corporate insensitivity and social irresponsibility. According to a follow-up study, the “Cone Corporation citizenship study 2004” (<http://www.coneinc.com>) a company’s negative corporate citizenship practices may have the following consequences:

- Consider switching to another company’s products or services (90%)
- Speak out against that company among my family and friends (81)
- Consider selling my investment in that company’s stock (80%)
- Refuse to invest in that company’s stock (80%)
- Refuse to work at that company (75%)
- Boycott that company’s products or services (73%)
- Be less loyal to my job at that company (67%)

## **Corporate Social Responsibilities by the Telecommunication Industry in Nigeria**

### **MTN Universities Connect Project**

This is an innovative project designed to provide digital access to information and infrastructure to Federal Universities in Nigeria. This project facilitates access to a collection of digital resources from over 5,500 libraries to assist university students and lecturers with research work. The project is implemented in partnership with Net Library Nigeria Limited. The beneficiary schools of the Universities Connect project are for approximately 600 students and 120 lecturers:

For Phase 1- University of Lagos, Akoka, Lagos State

For Phase 2- Ahmadu Bello University, Zaria, Kaduna State

For Phase 3- University of Nigeria Nsukka, Enugu State

For phase 4- University of Benin, Benin City, Edo State “ABU UC Students and Lecturers Awareness Workshop:

Cross-section of participants at the workshop” The scope of the project is as follows:

1. Twenty eight (28) networked computers, 3 servers, 2 high capacity printers and 100KVA generator
2. VSAT equipment and internet connectivity bandwidth with 2 years subscription
3. A 2 years subscription to electronic resources through the Net Library network (Journals, Books, etc)
4. Conducive study environment through space renovation, provision of adequate lighting, Furniture and alternative power supply
5. Technical training for 12 members of existing library staff to work with Net Library over 2 years to build capacity
6. One-week library awareness to be held annually for students and lecturers
7. One-week awareness workshops to be held annually lecturers
8. Initiate a 5–year maintenance contract with the University to ensure a conducive environment with a clear sustainability strategy
9. Two years comprehensive insurance cover to take care of theft and fire
10. An interactive student’s website – “[www.universitiesconnect.com](http://www.universitiesconnect.com)”

#### Highlights

1. Successful commissioning of phase 1 @ UNILAG, Akoka in December 2005
2. Phases 2 and 3 @ ABU, Zaria and UNN, Nsukka respectively have been completed and to be commissioned in 2009
3. A total of 2,542 students and 113 lecturers have been trained as “UC Champions” in both UNILAG and ABU to drive the usage of the virtual libraries
4. A total of 50 existing library staff have been trained by Sabinet SA in phases 1 to3 as a form of capacity building strategy for management and maintenance of the library

#### **MTN FOUNDATION SCHOOLS CONNECT**

The MTNF is in partnership with School-Net Nigeria for the Schools-Connect project designed to enable teachers and students in Nigerian public secondary schools to gain confidence and understanding of how Information and Communication Technology (ICT) can add value to their lives and learning. MTN Foundation Schools-Connect project provides the following to the beneficiary schools:

1. A server computer with 21 workstations, fully networked

2. Subject software to serve as teaching aids
3. One (1) 30KVA generator
4. A networkable printer
5. Ten (10) stabilizers and Four (4) 1.5HP air conditioners
6. Multimedia projector and white board
7. Electrical works for the computer lab
8. Furniture to seat 42 students in the lab
9. VSAT equipment and internet connectivity bandwidth subscribed for 1-year
10. Teacher training at a selected location in the state for 6 teachers
11. Technical training for lab attendants
12. Insurance cover for 1-year
13. Retainer fees of the local technical company for 1-year.

#### Highlights

- Successful commissioning of phase 1 schools in Kaduna, Enugu and Lagos states in December, 2004
- Successful commissioning of phase 2 schools in Rivers, Kwara and Abuja (FCT) in July and August 2005
- Successful commissioning of phase 3 schools in Bauchi, Cross River, Ogun states and Kings College Lagos in August and September 2006
- Commissioned part of phase 4 in Ekiti state in August 2007. Imo and Niger states planned for commissioning in 2009
- Direct impact: 108,302 Students and 5,036 Teachers in 49 schools across 12 states have benefited from this initiative.

#### **MTN Foundation/UNICEF Child Friendly School Initiative (CFSI)**

The CFSI is aimed at improving infrastructures in primary schools and strengthening the school management mechanisms and the quality of education. This project is implemented in partnership with UNICEF. The phase 1 beneficiary states are Lagos, Bauchi and Delta States.

The MTN Foundation supports this project by providing funds to cover the following

1. Up-grade of the physical infrastructure and provision of essential furniture
2. Provide/rehabilitate water and sanitation facilities in each school
3. Provide basic teaching and learning materials
4. Teacher training in key subjects using primers for English Language, Mathematics and Science

### **Highlights:**

- Teacher training in key subjects English Language, Mathematics and Science conducted for selected teachers in the 3 states.
- Project implementation completed in Bauchi and Delta states.
- Implementation of the extra work by Ravega Constructions Limited at the Lagos school site is ongoing.

### **The MTN Foundation-Muson Music Scholars Programme**

The Music Scholars programme is designed to offer talented young people from less privileged backgrounds the opportunity to acquire qualitative music education leading to the MUSON Diploma in Music. This is implemented in partnership with the Musical Society of Nigeria (MUSON). The sponsorship programme is aimed at providing scholarships to about 220 students over a five year period. The project has moved into its 3rd year with the intake of the 3rd batch of students to study for a two-year MUSON diploma in music.

This programme provides students with a scholarship to cover both tuition, books allowance and transport subsidy.

However, related to all these are the efforts of the banking and telecommunication industries at branding and rebranding. Corporate branding or rebranding has in fact, become part of the competitive tool in the industry. Under this the banking and telecommunication industries not only strive to wear new 'corporate look' but also undertake several other activities to get their 'new identity' ingrained in the minds of stakeholders. This has translated into varieties of CSR activities: painting of schools, civic centres and other public places in a particular bank's identity or colour. This trend is also reflected in the sponsorship of some kinds of social activities that provide the opportunity for the bank's 'new identity' to be flaunted; for example, seminars, workshops, trade fairs, symposia, etc.

The branding propensity is also visible in many public structures. The Banking and the telecommunication industries either build or refurbish such structures just to paint them in their corporate colors and affix/display their logo on them. These places and structures include airport departure/waiting halls, hospital wards/ waiting rooms and receptions, lorry bodies and tail boards, school gates, stadia, bus stops, among others. Elaborate celebrations are also being organized to mark the founding of some banks and telecommunication companies and these are usually used as avenues to 'sell' their new identities and dish out

promotional gifts to members of the public. Product launch and promotions have become more or less quasi-CSR efforts to ‘thank’ or ‘appreciate’ stakeholders for their patronage and support.

Going forward, corporate social Responsibility among Nigerian Banking and telecommunication industries will continue to be an instrument of competition, product branding and success measures. Factors within and outside the banks will continue to drive and influence the variety and level of CSR exposure among the banking and telecommunication industries. The more successful a bank is, the more it will get involved in CSR, all things being equal. Also, the more international/global a bank becomes, the more it will get involved in CSR initiatives for CSR has become a key factor in corporate governance and overall corporate success.

### **Theoretical Framework**

The stakeholder theory was the theoretical framework for this paper. The purpose of the stakeholder theory is to serve as a blueprint for a corporation’s structure and purpose (Donaldson & Preston, 1995). The term stakeholder first appeared in an internal memorandum at SRI International in 1963 (Parmar et al., 2010), as a means to challenge the idea that stakeholders are the group to which management needs to be accountable (Parmar et al., 2010).

Freeman (1984) recommend that managers use terminology based on the idea of the stakeholder, which prompted Freeman and other scholars to use the concept to focus on three interrelated business problems: the problem of value creation and trade, the problem of ethics pertaining to capitalism, and the problem of the mind-set of business professionals (Parmar et al., 2010). The topics discussed by Freeman and other intellectuals were not new when Freeman first applied the vocabulary, however it was the first time that researchers had devised and employed stakeholder theory to various situations. According to stakeholder theory, company leaders should consider CSR and the way it affects all persons of interest (Bird et al., 2007). Stakeholders consist of individuals who are making decisions on behalf of an organization (Branco & Rodrigues, 2007). These stakeholders can include “creditors, employees, customers, suppliers, and the communities at large” (Branco & Rodrigues, 2007, p. 7). Primary stakeholders are the individuals who participate within the organization, including employees, managers, and the local community (Branco & Rodrigues, 2007; Cheng & Ahmad, 2010). Secondary stakeholders are the individuals in an organization who are not vital for its survival and do not have

influence over operations, including the government regulators, and social pressure groups (Branco & Rodrigues, 2007; Cheng & Ahmad, 2010).

Nevertheless, all stakeholders are important to organizations according to CSR (Branco & Rodrigues, 2007). Stakeholder theorists define appropriate and inappropriate organizational behavior based on how corporations behave toward their stakeholders (Campbell, 2007). Hence, there is not an exploratory goal to the stakeholder theory; researchers use it to help organizational leaders provide better care to their constituents (Freeman, Russconi, Signori, & Strudler, 2012). Additionally, firm leaders and stakeholders need to discuss the best ways to implement CSR in an attempt to protect their constituents (Riordan & Fairbrass, 2008).

According to Branco and Rodrigues (2007), stakeholder theory is a key process in defining CSR. Supporters of stakeholder theory argue that organizational leaders practice CSR because its basis is a social contract and it affects the activities of all involved parties (Achua, 2008; Bird et al., 2007). Corporate social responsibility success results from stakeholder dialogue because necessary actors have pertinent discussions about how to implement CSR (Blowfield & Frynas, 2005). However, this can be difficult in developing nations where language, culture, and education vary, which makes negotiations difficult (Blowfield & Frynas, 2005). Additionally, Nigeria's dominant cultural ideology indicates that there is a strong element of stakeholder orientation (Adegbite & Nakajima, 2011). Adegbite and Nakajima (2011) contended that stakeholder theories are influential in determining Nigerian corporate governance because they allow for discussion and implementation of ways to protect businesses and involved individuals. The stakeholder theory's focus on CSR affords businesses protection and leads to profit increases.

The premise of the stakeholder theory is that the majority of the benefits of the company will pass through to the customer and investor (Donaldson & Preston, 1995). Stakeholder theory proposes that organizational leaders will do their best to maximize the wealth of stakeholders and the organization (Jamali, 2008). Donaldson and Preston (1995) contended that several influential studies of CSR make explicit and implicit references to stakeholder perspectives using conventional statistical methodology.

Corporate social responsibility studies based on the instrumental stakeholder theory have demonstrated that the implementation of stakeholder practices achieved CSR objectives better than other approaches (Donaldson & Preston,

1995). The CSR-focused stakeholder theory has achieved wide acceptance in business organizations, but it changes as the company changes (Russo & Perrini, 2010). The stakeholder theory presumes the corporation's duty is wealth creation in conjunction with CSR (Jamali, 2008). Within CSR, the focus of the stakeholder theory has been on the idea that stakeholders create, increase, and maintain the value of an organization (Jamali, 2008). Corporate social responsibility specifies the responsibilities of organizations, whereas the stakeholder theory designates to whom the organization should be accountable (Jamali, 2008).

### **Methodology**

The research was conducted using both primary and secondary data which are descriptive and analytical, with more emphasis on the descriptive part. The area of our study is the banking and communication industries with reference to GTBank and MTN Nigeria.

Guarantee Trust Bank plc was incorporated as a limited liability company licensed to provide commercial and other banking services to the Nigerian public in 1990. The bank commenced operations in February 1991, and has since then grown to become one of the most respected and service focused banks in Nigeria. Five years later, in September 1996, Guarantee Trust Bank plc became a publicly quoted company and won the Nigerian stock Exchange Presidential Merit Award that same year and subsequently in the year 2000, 2003, 2005, 2006, 2007, and 2008.

In February 2002, the bank was granted a universal banking license and later appointed a settlement bank by the Central Bank of Nigeria (CBN) in 2003. Guarantee Trust Bank undertook its second share offering in 2004 and successfully raised over N11billion from the Nigerian investors to expand its operations and favourably compete with other global financial institutions. This development ensured the bank was satisfactorily poised to meet the N25billion minimum capital base for banks introduced by the Central Bank of Nigeria in 2005, as part of the consolidation exercise by the regulating body to sanitize and strengthen Nigeria Banks. Post-consolidation, Guarantee Trust Bank made a strategic decision to actively pursue retail banking. A major rebranding exercise followed in June 2005, which saw the bank emerge with innovative, cutting edge service offerings, aggressive expansion strategies advertising policies and its new trademark vibrant orange.



In 2007, the bank entered the Africa business landscape history books as the first Nigerian financial institution to undertake a \$350 million regulation Eurobond issue and a \$750 million Global Depository Receipts (GDR) offer. The listing of the GDRs on the LSE in July that year made the bank the first Nigerian company and African bank to attain such landmark achievement. In December 2009, Guarantee Trust Bank once again set the pace by successfully completing the first tranche of its \$200million dollar Corporate Bond – The first corporate bond in Nigeria for a very long while. Over the years, the bank has been a recipient of numerous accolades and commendations for exceptional service delivery, innovation, corporate governance, corporate social responsibility and management quality.

On the other hand, MTN Nigeria is part of the MTN Group, Africa's leading cellular telecommunications company. On May 16, 2001, MTN became the first GSM network to make a call following the globally lauded Nigerian GSM auction conducted by the Nigerian Communications Commission (NCC) earlier in the year. Thereafter the company launched full commercial operations beginning with Lagos, Abuja and Port Harcourt. According to the Company's available information, MTN's over-riding mission is to be a catalyst for Nigeria's economic growth and development, helping to unleash Nigeria's strong developmental potential not only through the provision of world class communications but also through innovative and sustainable corporate social responsibility initiatives.

The target population of the study is 200 persons from both GTB and MTN (100 staff of GTB and 100 MTN customers). This will enable us get tangible response for evaluating their CSR in relation to sustainable economic development.

It is imperative to use a sample of the population. According to Biereenu-Nnabugwu (2006), the idea and need for sample hinges on the realization that the population is large and that it is possible to make choice from an array of possibilities. In our study, for the purpose of analysis and interpretation of findings, the sample size was limited to 100 respondents from MTN Nigeria customers and employees and 100 respondents from Guarantee Trust Bank customers and employee and 90 of these were recovered from Guarantee Trust Bank and 70 were recovered from MTN Nigeria.

The study involves a guided approach to data collection of the population of study (officials and customers of the banks and communication industries

specifically MTN Nigeria and GTBank Plc), using structured questionnaire sampling method and procedure to analyze the data. Responses received focusing on a survey into the impact of corporate social responsibility in the banking industry and telecommunication industry was analyzed. It was further basically designed to analyse the impact, benefits, and contribution of Corporate Social Responsibility to economic and social development. The primary data sources specifically include administration of questionnaire, observations and personal interviews, while secondary sources rely heavily on internet records and information from the relevant sector of the banking system, books, journals, and publications from relevant authors. Primary Data were also obtained from schools, hospitals, non-governmental organizations, charitable homes etc. Data obtained through observation and interviews were used for the analysis using Correlation and regression analyses to determine the impacts of corporate social responsibilities or otherwise on the Nigerian society.

### **Data Analysis and Interpretation**

The regression result as shown below reveals the R is 0.684 that there is a strong relationship between CSR and Societal Progress. The ANOVA result further reveals that the relationship is significant as the P value (0.00) is less than the Alpha value (0.05). A closer look at the Pearson Correlation Coefficient (R=0.655) also shows that there is a moderate and significant relationship between CSR and Societal Progress. This is a confirmation of the regression result.

### **Decision:**

Since  $P(0.000) < \alpha(0.05)$ ,  $H_0$  is rejected and  $H_1$  is accepted, meaning that the relationship between CSR and Societal Progress is statistically significant both at 1% and 5% level of significance. The conclusion therefore is that CSR plays a significant role in Societal Progressiveness.

### **Analysis for MTN**

#### **Road building and maintenance**

Source: Field Survey, July 2021.

### **Regression**

a Predictors: (Constant), Sponsoring of youth development programmes, Road building and maintenance, Donation to Humanitarian Causes, Funding of

research activities, Building of schools blocks, Donations to NGOs and Community Based Projects, Donation of equipment and books to schools, Sponsoring of School Quiz, Debates and Essays.

### Interpretation

The regression result as shown above reveals the R is 0.623 that there is a strong relationship between CSR and Societal Progress.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.684 <sup>a</sup>	.467	.415	1.404

a. Predictors: (Constant), SPONSORING OF YOUTH DEVELOPMENT PROGRAMMES, DONATIONS OF EQUIPMENT AND BOOKS TO SCHOOL, DONATION TO NGOs AND COMMUNITY BASED ORGANISATIONS, FUNDING OF RESEARCH ACTIVITIES, DONATION TO HUMANITARIAN CAUSES, SPONSORING OF QUIZ/DEBATES/ESSAYS, BUILDING OF SCHOOL BLOCKS, ROAD BUILDING AND MAINTENANCE

### Building of schools blocks

	Frequency	Percent	Valid Percent	Cumulative Percent
1	8	11.4	11.4	11.4
2	5	7.1	7.1	18.6
3	15	21.4	21.4	40.0
4	19	27.1	27.1	67.1
5	14	20.0	20.0	87.1
6	9	12.9	12.9	100.0
Total	70	100.0	100.0	

Source: Field Survey, July 2021.

### Sponsoring of school quiz/debates and essays

	Frequency	Percent	Valid Percent	Cumulative Percent
1	14	20.0	20.0	20.0
2	6	8.6	8.6	28.6
3	14	20.0	20.0	48.6
4	19	27.1	27.1	75.7
5	7	10.0	10.0	85.7
6	9	12.9	12.9	98.6
99	1	1.4	1.4	100.0
Total	70	100.0	100.0	

Source: Field Survey, July 2021.

### Donation to humanitarian causes

	Frequency	Percent	Valid Percent	Cumulative Percent
1	14	20.0	20.0	20.0
2	6	8.6	8.6	28.6
3	14	20.0	20.0	48.6
4	19	27.1	27.1	75.7
5	7	10.0	10.0	85.7
6	9	12.9	12.9	98.6
99	1	1.4	1.4	100.0
Total	70	100.0	100.0	

Source: Field Survey, July 2021.

### Funding of research activities

	Frequency	Percent	Valid Percent	Cumulative Percent
1	14	20.0	20.0	20.0
2	14	20.0	20.0	40.0
3	20	28.6	28.6	68.6
4	8	11.4	11.4	80.0
5	5	7.1	7.1	87.1
6	9	12.9	12.9	100.0
Total	70	100.0	100.0	

Source: Field Survey, July 2021.

### Donations to NGOs and community based organizations

	Frequency	Percent	Valid Percent	Cumulative Percent
1	14	20.0	20.0	20.0
2	16	22.9	22.9	42.9
3	12	17.1	17.1	60.0
4	10	14.3	14.3	74.3
5	7	10.0	10.0	84.3
6	11	15.7	15.7	100.0
Total	70	100.0	100.0	

Source: Field Survey, July 2021.

**Donations of equipment and books to schools/colleges/other institutions**

	Frequency	Percent	Valid Percent	Cumulative Percent
1	9	12.9	12.9	12.9
2	8	11.4	11.4	24.3
3	13	18.6	18.6	42.9
4	14	20.0	20.0	62.9
5	12	17.1	17.1	80.0
6	14	20.0	20.0	100.0
Total	70	100.0	100.0	

Source: Field Survey, July 2021.

**Sponsoring of youth development programmes**

	Frequency	Percent	Valid Percent	Cumulative Percent
1	11	15.7	15.7	15.7
2	11	15.7	15.7	31.4
3	7	10.0	10.0	41.4
4	20	28.6	28.6	70.0
5	6	8.6	8.6	78.6
6	15	21.4	21.4	100.0
Total	70	100.0	100.0	

Source: Field Survey, July 2021.

**Model Summary**

MODEL	R	Adjusted Square	R	Std. Error of the Estimate
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1	.623 (a)	.307	1.408
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ANOVA<sup>b</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	76.551	8	9.569	4.828	.000 <sup>a</sup>
	Residual	120.892	61	1.982		
	Total	197.443	69			

a. Predictors: (Constant), Sponsoring of youth development programmes, Road building and maintenance, Donation to Humanitarian Causes, Funding of research activities, Building of schools blocks, Donations to NGOs and Community Based Projects, Donation of equipment and books to schools, Sponsoring of School Quiz, Debates and Essays

b. Dependent Variable: Do you see your bank as partner in progress?

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.547	.580		.942	.350
	q13	-.016	.017	-.111	-.962	.340
	q16	.385	.126	.339	3.049	.003
	q19	-.003	.017	-.020	-.173	.863
	q21	-.039	.015	-.267	-2.557	.013
	q26	.272	.135	.259	2.018	.048
	q27	.056	.141	.057	.396	.693
	q29	.036	.141	.036	.259	.797
	q31	.166	.139	.169	1.189	.239

a. Dependent Variable: Do you see your bank as partner in progress?

The ANOVA result further reveals that the relationship is significant as the P value (0.00) is less than the Alpha value (0.05). A closer look at the Pearson Correlation Coefficient (R=0.517) also shows that there is a moderate and significant relationship between CSR and Societal Progress. This is a confirmation of the regression result.

Decision:

Since  $P(0.000) < \alpha(0.05)$ ,  $H_0$  is rejected and  $H_1$  is accepted, meaning that the relationship between CSR and Societal Progress is statistically significant both at 1% and 5% level of significance. The conclusion therefore is that CSR plays a significant role in Societal Progressiveness.

### Summary, Conclusion and Recommendations

The findings of the study are enumerated below:

- Corporate social responsibility is not a new subject, neither is it strange to the telecommunication industry and the banking industry.

- Profit objective is the major and primary objective of every firm, but no responsible firm will neglect the all important corporate social responsibility objective
  - There is a well formulated corporate social responsibility policy in virtually all the firms in the banking and the telecommunication sector and which is strictly adhered to. This policy is also made to comply with the directions of regulatory authorities and also government policies.
  - Being involved in socially responsible act add to the goodwill of the company thereby increasing their financial worth eventually, boost the image of a company, giving them an edge over other companies through increasing patronage afforded socially responsible firms.
  - Social responsibility has a great impact on the society by adding to the infrastructures and development of the society
  - One of the fine points of the exercise is the apparent disposition of the institutions covered by the research, to virtually all areas of human endeavour. That is the reason why some of them responded to appeals such as sponsoring of literary activities and public lectures. However, the banking industry and the telecommunication would need to synergize with a view to pooling resources to contain some capital-intensive projects like road building, school blocks in order to break more grounds in corporate social responsibility planning and delivery.
  - It can further be seen that one of the goals of corporate social responsibility is the creation of public good. In that regard, operators have taken it as a challenge to make meaningful impact in areas where they possess superior expertise. Instead, expenses have been committed to many sectors which thinned out and rubbed off the message they were to carry.
  - As service sectors, the industries is hampered by the lack of product touch and feeling. Luckily, CSR has become a tool by which such service can be projected with human face. The industries should seize that opportunity with open hands.
  - With global down turn in economies, climatic changes, deluge of natural disasters, changing technologies approaches to production and resultant high cost of food, goods and services, there is bound to be further pressure on CSR expectations, which ought to be elevated to policy issues through the setting aside of budgetary provisions in annual expenditure profiles.
- One appreciates only what one sees or feels.  
Since the public outcry for increased social responsibilities will not disappear if business organization fail to respond to the challenges of the society; and some companies will still behave in an unsociably responsible manner, there is need for regulatory bodies and government to carry out some measures and the

banking industry and the telecommunication industry too should do something about it since the global market is now changing.

It is therefore recommended as follows.

- Corporate entities should voluntarily integrate both social and environmental upliftment in their business philosophy and operations.
- Corporate social responsibilities should be seen by the firm as social obligations business concerns owe their shareholders, the local (host) community, general public, customers, employees and the government in the course of operating their legitimate businesses, such that CSR should be included in the law and enforced on the firms accordingly.
- Government should fix a minimum percentage of profit corporate firm should expend on corporate social responsibility activities.
- It should be enforced that all forms of pollution caused by the corporate firm must be eradicated by them; by this all the news like Ogoni water spill and the fire and gas flare polluting the air in the Niger Delta will be eradicated.
- The banking industry and the telecommunication industry should see all the problems in our society as a business opportunity and try to find solution to it and in the process they will discover that the problems are just opportunity in disguise.
- It is recommended that while improvement in the participation volumes by banking and telecommunication industries is desirable, they should close ranks and forge common attention to address certain corporate social responsibility factors, especially those bothering on security or on account of their requiring high capital outlay as in roads mending and construction.

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