

**Assessment of Corporate Social Responsibility on Performance of selected Consumer Goods Manufacturing Companies in Ibadan Metropolis**

By

**MonsurOlansile JIMOH**  
**B.Sc. (UNILORIN)**  
**16/27/MBA009**

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in partial fulfillment of the Requirements for the Award of Master  
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Name of Candidate:            MonsurOlansile JIMOH

Matric Number:                16/27/MBA009

Programme:                     Master of Science (M.Sc.) Business Administration

College:                         Humanities, Management and Social Sciences

Dissertation Title:            Assessment of Corporate Social Responsibility on Performance of Selected Consumer Goods Manufacturing Companies in Ibadan Metropolis

.....

.....

Signature

Date

## CERTIFICATION

This is to certify that this dissertation was carried out by MonsurOlansile JIMOH with matriculation number 16/27/MBA009. The research has been read and approved as meeting the requirements of the Department of Business and Entrepreneurship, School of Business and Governance; College of Humanities, Management and Social Sciences; School of Postgraduates Studies, Kwara State University, Malete, Kwara State, Nigeria for the award of Master of Science Degree(M.Sc.) Business Administration.

Dr. R.O. Mustapha  
(Supervisor)

.....  
Signature & Date

Dr. A. Zekeri  
(Co-Supervisor)

.....  
Signature & Date

Prof. K.S. Adeyemi  
(Head of Department)

.....  
Signature & Date

Prof. S.K. Subair  
Dean, School of Postgraduate Studies

.....  
Signature & Date

Dr. M.A. Aremu  
External Examiner

.....  
Signature & Date

## **DEDICATION**

I dedicate this dissertation to Almighty Allah, my wife, Mrs. Kafayat. Jimoh and children:  
Azeezat and Mutmainah,

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**MonsurOlansile JIMOH**

**October, 2018**

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## **Abstract**

*Corporate Social Responsibility (CSR) is becoming a central focus in determining the relationship between manufacturing companies and society. The significance of CSR as a vital tool for the societal progressiveness cannot be over emphasized in the survival of the companies in Nigeria. The companies need to show concern to the community, employees and other stakeholders through Corporate Social Responsibility activities which include Project Implementations, Employees welfare and Educational Aids for the host communities in order to reap peace, competent and cheaper manpower as well as a platform for a better community and organisational harmonious relationship. This study assessed the impact of Corporate Social Responsibility on performance of selected consumer goods manufacturing companies in Ibadan Metropolis. The results should assist industry to ascertain the importance of CSR to immediate communities. Two companies within Ibadan Metropolis which their operations are well grounded on CSR activities and vigorously noticeable in their domain where they operate were selected for the study. Krejcie and Morgan's Table of sample selection (1970) was adopted for sample determination. The test of hypotheses was carried out using Linear regression, Statistical Model Summary and ANOVA Correlation to determine if there were significant impact between the independent and dependent variables. The study found that there is significant impact between CSR activities and non-financial performance variables. The study concluded that Social Project Implementation and Educational Aids have significant impact on corporate image and customer loyalty of Consumer Goods Manufacturing Companies in Ibadan Metropolis. The study recommended that the companies should shift their financial might from direct marketing to invest in highly beneficial CSR as a means of gaining huge positive returns.*

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background to the Study

Over the time, Corporate Social Responsibility (CSR) has been in existence particularly at the time of immemorial period when small businesses engaged in doing good to the environment where they exist. Keneth, Bongo, Chris & Amao (2006) asserts that CSR can be traced to the Quakers in 17<sup>th</sup> and 18<sup>th</sup> centuries when business philosophy was not targeted at profit maximization only but also, to add value to the larger society. In their view, there is interdependence between business and the society: meaning that they rely on each other for survival. This could be inferred that CSR is a deliberate inclusion of public interest into corporate decision making and the honoring of a triple bottom line, which are People, Planet and Profit.

The modern Corporate Social Responsibility began in the last half of the twentieth century as a way to educate business people on how to behave in a socially responsible manner by responding to the evolution of societal demands. Corporate Social Responsibility has significantly evolved since then, and its current concept was devised by heads of state and non-governmental organizations at the United Nations (UN) sponsored Earth Summit in Rio de Janeiro, Brazil, in 1992

Corporate Social Responsibility (CSR) in Nigeria began from the practices of Multinational Companies (MNCs) operations in the extraction sectors of the Nigerian economy, especially in the oil sector. The operations of this sector of economy resulted in CSR breaches such as oil spillages, gas flaring, militancy/community agitations and dumping of toxic waste materials in rivers in the communities where their companies are situated. These activities destroyed the sources of income for the communities which are mainly farming and fishing, leading to widespread poverty and agitation from the communities.

This raises concerns about the role of businesses in the Nigerian society. Apart from the activities of MNCs, the failure by successive Nigerian governments to fulfill their mandatory obligation of providing social amenities for communities has made MNCs to become quasi-government with community depending and targeting MNCs to solve their economic problems. Government at all levels, have failed to offer solutions (such as building infrastructures, roads, medical equipment and schools). This is largely due to corruption, weak institutional framework, lack of transparency and accountability among public officials and bad governance among other issues.

In the late 1990s, the leaders of the World Bank and other international agencies initiated the inclusion of CSR into their frameworks due to a paradigm shift in eradicating the

social norms e.g. poverty and hunger, achieving universal primary education, promoting gender equality, reducing mortality and improving health, and ensuring environmental sustainability in an attempt to improve businesses. As at the time, more emphasis is being placed on community involvement, less on socially responsible employee relations and almost none with regard to socially responsible products and processes.

Due to frantic efforts on CSR, every organization observed that the growth of the firm is mostly depend on synergy that exists between employers, employees, and all stakeholders in achieving organizational goals and objectives as the whole essence of existence depend on relationships between all the stakeholders. This greatly hinges upon a firm's innovative behaviour and how innovation affects long-term competitiveness and growth. It is necessary for organization to build its relationship with the society to enhance its performance and growth.

Modern business organizations expectations are moving beyond making and maximizing profit but towards being socially responsible to the society. Since business organizations do not exist in isolation but exist within a society, business organizations need to contribute positively to the development of society in which they operate. Thus, Corporate Social Responsibility (CSR) may be described as an approach to decision making which encompasses both social and environmental factors.

Manufacturing companies occupy important key positions in the economy of Nigeria as their significant roles can never be underestimated in terms of employment creation, payment of taxes to government, production of consumer goods, value creation, and execution of projects to immediate environment among others. Consumer goods recorded high patronage despite economic downturn and weak consumer spending in 2017 and most of the Nigeria consumer goods manufacturing companies still manage to executive some corporate social responsibility activities to their immediate environment and contribute to economic growth.

Corporate Social Responsibility is being measured through financial variables (Return on Asset, Return on Equity) and non-financial variables (Corporate Image, Customer Loyalty) to evaluate its performance. This performance depends on the economic viability of the areas in which the study is being carried out. In this study, Ibadan Metropolis was explored due to improved growing status of the city which has started since 1901 when cocoa was the main produce of the region. Also, the city is rated as the fourth largest state economy in Nigeria with several industries which include consumer goods manufacturing companies, Food processing, Healthcare, Textile etc.

## **1.2 Statements of the Problem**

Many business organizations have come short of achieving their desired goals and objectives, even after producing high quality consumer goods. These shortcomings have been attributed to improper, ineffective and inefficient strategies as related to social responsibility investments in their host community. Organizations have developed a variety of strategies for dealing with this intersection of societal needs, the natural environment, and corresponding business imperatives with respect to how deeply and how well they are integrating social responsibility approaches into both strategy and daily operations worldwide (Emmanuel, 2014).

Despite the several publications on Corporate Social Responsibility projects claimed to be implemented by consumer Goods Manufacturing Companies in Nigeria, the impact of CSR activities could not be felt by host communities as the concept was termed as mere building of relationship with customers and managing risk that might be emanated from its negligence. Meanwhile, non-adoption of CSR could cost the company its reputation which formed a large part of the shares of the company. CSR activities are seeing as a construct which could not be broken into activities that each company embarks upon that is traceable to the host community. Hence, classification of CSR projects into the likes of Social Project which include provision of borehole water, road beautification/ repairs and Educational Aids which include distribution of textbooks, construction of classrooms and provision of scholarship is necessary for easy classification of CSR projects.

Although, there have been several studies on the relationship between CSR and performance, most of the studies focus on financial performance as major constructs for the study while non-financial parameters are considered by a few researchers. Such non-financial parameters like corporate image, customer loyalty and improved reputation are also important for the growth of a company. Also, most previous studies have not been considering the classification of CSR activities into Social Project, Employees Welfare and Education Aids as they see CSR activities as an entity. Thus, the study sought to assess the CSR activities on the performance of selected consumer goods manufacturing companies using the classification of CSR activities and non-financial performance variables.

### **1.3 Objectives of the Study**

The primary objective of the study is to examine the impact of corporate social responsibility on the performance of consumer-goods manufacturing companies while the specific objectives include to:

- i. examine the impact of Social Project on corporate image of the selected consumer-goods manufacturing companies in Ibadan metropolis;
- ii. ascertain the effect of Educational Aids on corporate image of the selected consumer-goods manufacturing companies in Ibadan Metropolis;
- iii. analyze the impact of social project on customer loyalty of the selected consumer-goods manufacturing companies in Ibadan Metropolis; and
- iv. determine the effect of Educational Aids on customer loyalty of the selected consumer-goods manufacturing companies in Ibadan Metropolis.

### **1.4 Research Questions**

The study sought to find answers to the following research questions:

- i. To what extent has Social Project impacted on corporate image of the selected consumer-goods manufacturing companies in Ibadan Metropolis?
- ii. Does Educational Aids has effect on corporate image of the selected consumer-goods manufacturing companies in Ibadan Metropolis?
- iii. To what extent has the Social Project enhanced customer loyalty of the selected consumer-goods manufacturing companies in Ibadan Metropolis?
- iv. Does Educational Aids has impact on customer loyalty of the selected consumer-goods manufacturing companies in Ibadan Metropolis?

### **1.5 Research Hypotheses**

**H<sub>01</sub>:** There is no significant impact between Social Project and corporate image of the selected consumer-goods manufacturing companies in Ibadan Metropolis.

**H<sub>02</sub>:** Educational Aids do not have significant impact on corporate image of the selected consumer-goods manufacturing companies in Ibadan Metropolis

**H<sub>03</sub>:** There is no significant impact between social project and customer loyalty of the selected consumer-goods manufacturing companies in Ibadan Metropolis

**H<sub>04</sub>:** Educational Aids do not have significant impact on customer loyalty of the selected consumer-goods manufacturing companies in Ibadan Metropolis

## **1.6 Significance of the Study**

The study generates useful evidence both theoretically and practically as obtainable in practice:

The findings would be helpful to Consumer Goods Manufacturer companies as it would be a cynosure to ascertain if the practice of CSR is actually impacting on the beneficiary of the activities. Such findings would enhance decision making and fast-track decision making processing in a bid to ensure communal harmony and organizational performance on the adoption of CSR projects and the strategies to achieve them.

The study would also help all the other sectors of the Nigerian economy to choose the best CSR activities that benefits members of the public especially the stakeholders in the manufacturing industries.

Also, the findings provided is useful to governments at all levels to formulate appropriate policies for the manufacturing and industrial sectors of the economy as well as creating enabling environment to boost CSR activities in Nigeria. This study give an insight to the development of CSR bill by National Assembly and CSR Policy by the Ministry of Budget and National Planning due to robust information it will provide on the impact of the CSR on the performances of selected consumer goods manufacturing companies

It also serves as a source of reference to future scholars and academia in their research works. The information gathered will expound on areas not yet well-verse addressed in CSR and corporate strategy, as well as useful reference materials for the purpose of replication.

Conclusively, although CSR literature is widely available, but it is against the backdrop that there is a recurring criticism that it lacks empirical support, thus weakening its validity. This study is part of effort to reclaim validity and extends its search light on the impact of the CSR on the organizational growth.

## **1.7 Scope of the Study**

The main purpose of this study is to examine the assessment of CSR on the performance of consumer goods manufacturing companies in Ibadan Metropolis. Two companies within Ibadan Metropolis which their operations are well grounded on CSR activities and vigorously noticeable in their domain where they operate were selected for this study, namely 7up Bottling company Plc, and Nigerian Breweries Plc. Hence, the information for this study was collected from the employees of the companies and selected people in the community surrounding the companies.

The data for Corporate Social Responsibility (CSR) was represented by Educational Aids (e.g scholarship, construction of classrooms, free distribution of textbooks/stationery

etc), and Social Project which include the provision of borehole water, road beautification / repairs, youth empowerment and healthcare centre for the host communities. This classification was based on series of CSR activities embarked upon by the companies as specified in their annual reports. The performance was measured in terms of corporate image and customer loyalty.

### **1.8 Operationalisation**

This involves cross tabulations of the independent and dependent variables embedded in the study in order to establish if there is any correlation and significant relationship among the variables in the study. These dependent variable (Performances) is represented by Corporate Image and customer loyalty while CSR (independent variable) by Educational Aids (e.g scholarship, construction of classrooms, free distribution of textbooks/stationery etc) as well as Social Project which include the provision of borehole water, road beautification / repairs, youth empowerment and healthcare centre for the host communities

For the purpose of this study, the independent variable and dependent variables are represented in a functional relationship model as thus:

$$Y = f(x)$$

Y = Dependent variable

X= Independent variable

Thus OP = f (CSR)

Where CSR and OP mean Corporate Social Responsibility and Organisational Performance respectively

$$y_{li} = \beta_0 + \beta_1x_1 + e_i$$

$$y_{li} = \beta_0 + \beta_1x_2 + e_i$$

$$y_{2i} = \beta_0 + \beta_1x_{1i} + e_i$$

$$y_{2i} = \beta_0 + \beta_1x_{2i} + e_i$$

y<sub>1</sub> = Corporate Image

y<sub>2</sub> = Customer Loyalty

x<sub>1</sub> = Project Implementation

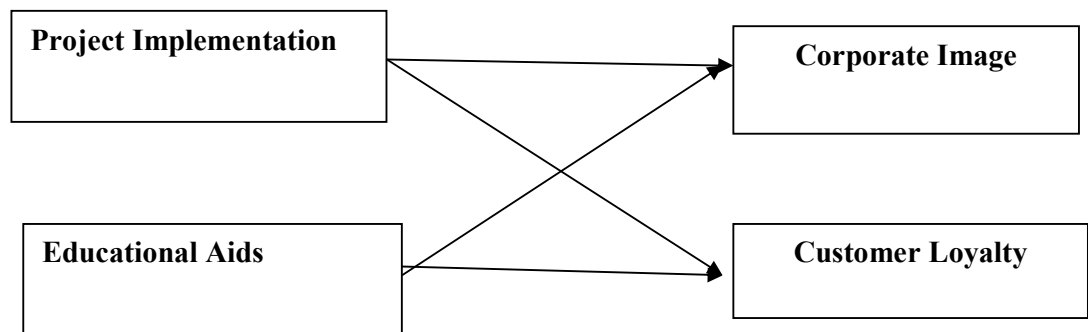
x<sub>2</sub> = Educational Aid

**Independent Variables**

**Dependent Variables**

(CSR)

(Organisational Performance)



**Source: Author's operationalisation, 2018**

Figure 1: Operationalisation of Variables

Figure 1 denotes the cross tabulation of Independent variables (Project Implementation and Educational Aids) with the Dependent Variable (Corporate Image and Customer Loyalty). Thus, Project Implementation was cross tabulated with Customer Loyalty and Corporate Image to assess the impact of the Independent variable on the Dependent variables. Also, Educational Aids was cross tabulated with Customer Loyalty and Corporate Image to determine the impact of the Independent variable on the Dependent variables.

## **1.9 Definition of Terms**

The following are the definitions of the major terms used in this study:

**Corporate social responsibility:** - This refers to corporation's initiatives to assess and take responsibility for the company's effects on environmental and social wellbeing. The term has been generally applied to relate to the efforts made by a firm that goes beyond what is expected of them by shareholders and investors to the environment or communities where their investment/businesses are cited to benefit the society. Corporate Social Responsibility therefore is the way companies manage their businesses to produce an overall positive impact on society through economic, environmental and social actions.

**Corporate governance:** - is concerned with holding the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and to enhance accountability for the stewardship of those resources. The aim is to align as nearly as possible the "interests of individuals, corporations and society.

**Corporate social responsiveness:** – It is the management task of doing what one has decided to do so as to become socially responsible. It is applied to mean the ability of the firm to act in a socially responsible manner.

**Philanthropy:** generous donations or contributions.

**Organisation:** This is a combination of people or individual efforts working together in pursuit of certain common purposes called organisational goals.

**Organizational Performance:** is the comparison of the actual results of an organization with its intended results.

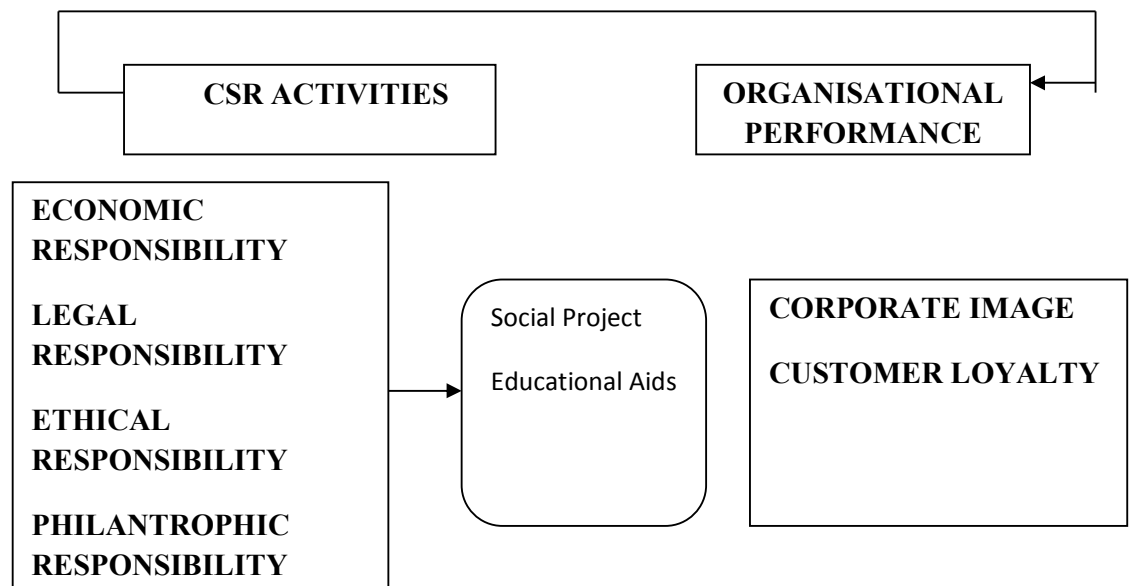
**CHAPTER TWO**  
**LITERATURE REVIEW**

**2.0 Preamble**

This section presented a review of the existing relevant theoretical and empirical literature to the study. The goal was to identify existing gaps of knowledge that the current study seeks to fill.

**2.1.0 Conceptual Framework**

This section examines some of the conceptual studies that have been carried out in this field of study. Many studies have been carried out on Corporate Social Responsibility. From the reviewed literature, a conceptual framework that guides the present study is presented as thus:



**Source: Author’s Conceptualization, 2018**

Figure 2: CSR-CNFP conceptual model

The study’s framework was developed based on Carroll (1979, 1999), which classified the main types of responsibilities into economic, legal, ethical and philanthropic but modified by the author to suit the purpose of the study. All these responsibilities comprise of all company's activities that are intending to become goods and services to the society as the firms are expected to use their resources to promote human welfare by contributing in community project and educational programs from its financial resources. The study examined the following categorized CSR activities in the environment where the sampled companies were situated:

### **Educational Aids**

- Scholarship
- Construction of classrooms
- Free distribution of textbooks/stationery etc

### **Social Project**

- Provision of borehole water
- Road beautification / repairs
- Youth empowerment and healthcare centres etc

#### **2.1.1 Concept of Corporate Social Responsibility (CSR)**

Corporate Social Responsibility (CSR), a concept that has been around for over 50 years ago and has become prominent again recently. Hilda; Hope and Nwoye, (2015) notes that an increasing number of Transnational Corporations (TNCs) and large indigenous companies, are adopting a variety of so-called voluntary CSR initiatives that integrate codes of conduct; measures to improve environmental management systems and occupational health and safety; company 'triple bottom line' reporting on financial, social, and environmental aspects; involvement in certification schemes and support for community development projects and programme. However, in 1930, the Great depression formed a second wave of regulation and led to Roosevelt's New Deal in the US and nationalization and regulation by the postwar Labour government in the UK, Jenkins (2005) was cited by Wahla, Shah, and Hussain, (2012) noting that during the late 1960s and 1970s, a new gesture of concern about the growing social and environmental impact of transnational corporations (TNCs) in the postwar era led to a third period of increased efforts to regulate corporate activity.

Adebayo et al. (2012) quoted Jeremy (2004) pointed out that CSR is a difficult concept to track as it overlies with other concepts such as corporate citizenship, sustainable business, environmental responsibility, the triple bottom line; social and environmental accountability; business ethics and corporate accountability. It is highly contextual not only in terms of its corporate environment but also in terms of its national environment. He further argues that the current wave of interest in corporate social responsibility (CSR) dates from the early 1990s is only a new demonstration of 'a longstanding debate over the relationship between business and society'. Increase in the corporation in the late nineteenth century has made the debate to continue, through periods 'when the power of corporations is in the dominance and periods in which society attempts to regulate the growth of corporate power. In these periods when corporations have become subject to public criticism and attempts at regulation, they have attempted to re-establish their legitimacy by adopting CSR style strategies.

The emergence of big corporations in the late nineteenth century in the US led to the development of the anti-trust movement. In response, corporations underline corporate responsibility and philanthropy in order to prove that government regulation was avoidable (Richard & Okoye, 2013).

### **2.1.2 Definitions of CSR**

CSR is a diverse concept that as it has different meanings depends on the context, thus, this make the definition of CSR to be deficient of universality. However, for the purposes of this study, CSR is described as a collection of activities which have direct impact to society that a company willingly or discretionally undertakes. These activities are outlined as part of the overall corporate responsibilities that the firm owes its stakeholders and the natural environment within its scope of operations. (Adeboye & Olawale 2012).

Also, Yeshmin, (2012) highlighted the scope of CSR as identified by Korea Economic Justice Institute's seven-point index as: "Soundness (stockholder composition, investment and financing); Fairness (fair trade, economic concentration, transparency and supplier relationships); Contribution to society (care for minority groups and corporate donations/charity/gifts); onsumer protection (protection of consumer sovereignty, interests and rights, product quality and ethical promotion); Environmental protection (environmental improvement efforts, environmental friendliness and compliance with environmental regulations) Employee satisfaction (workplace safety, investment in human resource training and empowerment, fair wage and welfare, labour-management relationship and gender equity); and, Contribution to the economy (R and D efforts, operating performance and contribution to the economy through corporate growth, export activities and payment of tax)". A firm has a number of stakeholders outside the stockholder, which include employees, customers, suppliers, distributors, creditors, host communities and the government. The firm's performance and success depends on how it is able to manage its relationships with all the stakeholders. Indeed, managers need to harmonize the conflicting interests of these stakeholders for the business to succeed. The support of the stakeholders can be acknowledged where these interests are properly managed (Duke, Kankpang & Okonkwo, 2012)

However, there is a multitude definitions of Corporate Social Responsibilities (CSR), each considered valuable in their own right and designed it to fit the specific organization. The majority of definitions incorporate the three dimensions to the concept, that is, economic, environmental and social dimensions. CSR had also been commonly described as "a exhibition of certain responsible behaviour on the part of public and the private (government

and business) sectors toward society. The Business for Social Responsibility (BSR), a leading Global Business partner, in a Forum held in 2006, as reported by Adeboye and Olawale (2012), defined CSR as a achievement that honours ethical values and respect people, communities, and the natural environment. For BSR, CSR also means a way of addressing the legal, ethical, commercial and other expectations society has for business, and making decisions that fairly balance the claim of all key stakeholders. In its simplest terms, it is: “what you do”, “how you do it” “and when and what you say”.

In conclusion, CSR can be viewed as a comprehensive set of policies, practices and programmes that are incorporated into business operations, supply chain, and decision making processes. It also includes responsibility for actions and impacts. The CSR initiatives is varied by business, size, sector and even geographical region. The top echelon of the companies observed the CSR as a collection of discrete practices or occasional gestures or initiatives motivated by marketing, public relations or other business benefits. (Uwakaeme, 2012)

In emphasizing the ecological conceptualization of social responsibility, Adeyanju, (2012) notes that any good definition of social responsibility must include most of the following responsibilities:

- i. Business should see itself beyond the production goods and services at a profit.
- ii. Company should assist the society in solving social problems that is caused by the organization.
- iii. Business should incorporate other stakeholders other than shareholders.
- iv. Company should make impact in the society than marketplace transactions, and
- v. Corporations should serve a wider range of human values that can be capture by a sole focus on value.

### **2.1.3 Characteristics of Corporate Social Responsibilities**

The European Foundation for Quality Management [EFQM] as cited by Akano *et al.* (2013) presents some common characteristics for CSR to include:

- Addressing the need of stakeholders without compromising the ability of future generations to meet their own demand;
- Adopting CSR voluntarily, rather than as legal requirement, because it is seen to be in the long-term interests of the organization; to
- Integration of social, environmental and economic policies in day to day running of business and

- Acceptance of CSR as a core activity that is embedded into an organization's management strategy.

The three dimension of CSR with specific examples of areas particular to each dimension are:

**(a) Economic Responsibility**

Integrity, corporate governance, economic development of the community, transparency, prevention of bribery and corruption, payments to national and local authorities, use of local suppliers, hiring local labour and similar areas.

**(b) Social Responsibility**

Human rights, training and developing local labour, contributing expertise to community programs and similar areas.

**(c) Environmental Responsibility**

Precautionary approaches to prevent or minimize adverse impacts support for initiatives, promoting greater environmental responsibility, developing and diffusing environmentally friendly technologies and similar areas.

Akindele, (2012) defines CSR as the obligation of business men to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of objectives and values of the society.

In Nigeria, these responsibilities are broken down as:

**a. 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:

- (i) 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.
- (ii) 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, purchase of ammunition, or albeit illegal transfer by unpatriotic citizens or politicians.

**b. Social responsibility to stakeholders**

An organization needs to fulfill its social responsibilities to the stakeholders for it to achieve its set objectives and such stakeholders include:

**1. Customers**

- (i) Offer efficient services
- (ii) Ensure early collection of goods as scheduled
- (iii) Ensure adequate delivery services

- (iv) Pay competitive rate of trade discount and cash discount
- (v) Charge reasonable interest rates and commissions for service violation
- (vi) Ensure excellent transport services.

## **2. 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;

- (i) Pay competitive salary remuneration commensurate with the level of commitment
- (ii) Offer opportunities for career development, e.g. inducement for taking professional examination;
- (iii) 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 working environment.;
- (iv) Keep employees adequately informed on the policies, procedures and rules relating to day-to-day operations. This can be done through newsletters, bulletins, meetings, etc;
- (v) Involve employees in decisions affecting them, to ensure their total commitment and loyalty;
- (vi) Maintaining equal opportunities among employees, i.e. there should be no preferential treatment or favourism;
- (vii) Establish clear cut bargaining and grievance procedures that will be known and followed by all employees.

## **3. 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;

- (i) Comply with the laws and regulations prescribed by regulatory authorities like the Central Bank of Nigeria, the Nigeria Deposit Insurance Corporate, NAFDAC, SON, FIRS, Bureau of Lands etc;
- (ii) Assist government in funding and promoting social activities, such as sponsoring sports programmes, contributions towards combating diseases e.g. AIDS, etc.

## **4. The Public**

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

- i. 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.
- ii. Creation and maintenance of employment opportunities to qualified members of the community. This encourages loyalty, commitment and cooperation from the community.
- iii. Participation in community activities, such as donations to community to celebrations, awarding scholarship to deserving members of the community, etc, and
- iv. Using the skills of employees to develop charitable goods and services.

#### **2.1.4 Modern Corporate Social Responsibility**

According to Amaesh, (2014), 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). The recommendation was endorsed by the US, UK and other participating governments. Whatever initiatives companies decide to achieve is binding on international standards of corporate behavior which was established to guarantee that the rights and protection of people and the environment in developing countries like Nigeria.

According to Amole, Adebisi and Awolaja (2012), it is opined that there should be international regulation supported by national legislation, to ensure the enforcement of social responsibility on the corporate world. The disclosure of firms books of accounts analyzing the percentage to CSR can make the company to behave reasonably and responsibly. He stated further that national Government should:

- i. Agree on laws that will make corporate social and environmental reporting and disclosure mandatory for companies including the disclosure of information on the social and environmental impact of overseas operations and details of legal actions against companies.
- ii. Outline 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.
- iii. Change the enabling law to enable people harmed by companies' overseas operations to seek redress in court.

### **2.1.5 Corporate Social Responsibility Development in Nigeria**

Nigeria has been party to a number of international human rights treaties in the development of corporate social responsibility. Nigeria is one of the countries in the world together with Azerbaijan, Ghana and Kyrgyzstan who have committed to the UK-led Extractive Industries Transparency Initiative, where they have committed to making public all their revenues for oil, gas and mining. (Ajide, 2014).

Nigeria is leveraging on the United Nations declarations, conventions and efforts of constituents especially the International Labour organizations to provide harmonized approach under the leadership of both the Swedish Standard Institute and the Brazilian Association of Technical Standards. This process has the participation of Nigeria where the National Mirror Committee on Social Responsibility is operationalising the way to contribute towards the completion of ISO26000 in 2008. The aim is to encourage voluntary commitment to social responsibility that will lead to common guidance on concepts, definition and methods of evaluation (Iya, Badiya, & Faiza, 2015).

The Government of Nigeria made effort to strengthen the convention by defining the role of private sector as “the private sector will be expected to become more proactive in creating productive jobs, enhancing productivity, and improving the quality of life” through its National Economic Empowerment and Development Strategy (NEEDS) by Nigerian National Planning Commission 2004. Private sector is also expected to be socially responsible, by investing in the corporate and social development of Nigeria.

Global Compact network was officially launched in Nigeria during the 12th Annual Nigerian Economic Summit in Abuja in 2006 where some Nigerian companies attested to the Global Compact. The history of formalized corporate social responsibility in Nigeria can be traced back to the corporate social responsibility practices in the oil and gas multinationals with the focused of correcting the negative impact of the extraction activities on the local communities. Although, the companies provide pipe-borne waters, hospitals and schools but these initiatives are improvised as it did not commensurate with damages to the environment (Amaeshi, 2014).

Ajide (2014) acknowledged that Senate Bill 27 on CSR was sponsored by Senator Uche Chukwumege of Abia State, and it was presented to the Nigerian National Assembly on January 16, 2008, to provide for the establishment of a CSR commission with the objective to implement CSR in organizations that are consistent with international standards to provide assistance for communities that have suffered from business commercial ventures.

It was stated further that the bill anticipated that organizations would respect World Trade Organization rules regarding trade barriers, release annual reports on social and environmental

impacts, and ensure CSR is at least 3.5% of an organization's gross annual profit for each year. The bill also proposed that business organisation must publish annual reports on the business's social and environmental impacts and be accountable to employees, trade unions, investors, host communities, and the environment or face fines of no less than 2% of the organization's annual gross profit for violations.

Nigerian lawmakers rejected the bill because CSR is voluntary obligation. Mordi et al. (2012) contended that the bill had several deficiencies, including not providing the Nigerian public of the impacts of CSR, ineffective and inefficient investments strategy in Nigeria which made up of the high local and federal taxes, and not indicating implementation strategy for the practice of CSR. Although, the Nigerian government attempted to promote CSR in 2008 which did not succeed.

(Terfa, 2011) was quoted by Porter, and Kramer, (2016) that former Minister of National Planning Commission, Dr. Sanusi Daggash presented CSR Policy to the Federal Executive Council (FEC) in Nigeria on Wednesday May 14, 2008. The policy gave details of the memorandum that it inferred to the adoption of responsible business practices by organizations, to improve the society at large. The Minister was quoted that the policy would include "beyond law commitment and activities that would necessitate an expectation to 'give back' to the society". It was emphasized that the policy would ensure corporate governance and ethics, health and safety, human rights, human resource management, anti-bribery and anticorruption measures. It was believed that the policy might point Nigeria in the direction of developing a viable CSR policy but the policy did not see the light of the day.

#### **2.1.6 Implementation guide for corporate social responsibilities**

Limited liability companies in Nigeria give reports of their activities annually which include their social responsibility efforts. These are in four major 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, 2008)
- 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].

Several companies operating in Nigeria took the initiative to develop a CSR guideline or code for themselves. Amaeshi, (2014) observed that Nigeria firms identify 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"

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 established MTN Foundation to lead its CSR policy implementation strategy locally.

A search for Best Practices in Corporate Social Responsibility by indigenous firms in Nigeria by Oko, (2014); 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.

Over the years, many businesses in Nigeria, especially, manufacturing companies, 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. (Emezi & Nwaneri, 2015).

### **2.1.7 Economic Driver for Corporate Social Responsibilities in Nigeria**

In Nigeria, emphasis is placed on economic responsibility than philanthropy, legal and ethical responsibilities. This is so because economic responsibility deals with the socio-economic needs of the societies in which business organisation is operating which made the philanthropy responsibility to become an expected norm. Business organizations also understand that they cannot achieve the set goals and objectives if they fail the society. Also, many Nigerian societies depend on foreign or external aid which cultivate the culture of philanthropy responsibility of companies in Nigeria. CSR is also admitted to be philanthropic responsibility because the Nigerian Government did not have exclusive approach to the concept in Nigeria.

Ajide, (2014) highlighted drivers for CSR in Nigeria which include:

- i. Inability of Federal Government controlled economy to grow the economy in a way which the people can be live a decent life of dignity.
- ii. The unusual transaction cost to business which emanate from corruption practice in Nigeria and other malfunction social capital system.
- iii. The disagreement and incessant colossal waste in the extractive industry demonstrated by the Niger Delta saga.
- iv. Non- participatory youth age of Nigerian population in the system as they were being ignored by the authority despite the fact that they are critical to the survival and future prosperity of business and the country at large.
- v. The untapped potential benefit of commercially active and productive businesses in Nigeria that can address the problem of over 170 million potential consumers.

The drivers for CSR are discovered in other to increase brand loyalty, better access to finance, a healthier and safer workforce, improved risk management system and corporate governance, stimulate people's habit, customer loyalty, improved confidence and trust of stakeholders as well as public image. These drivers are necessary as its application will make Nigerian companies to be viable. Most indigenous companies in Nigeria are privately/family owned and operated, local consumer and civil society are not available for their role in the implementation of CSR and engagement rule is also weak. (Amaeshi, 2014).

There are several ways of implementing CSR in an organization. CSR practices can address various issues which include environmental issues, social issues or both. The implementation can be done by incorporating CSR in the business or it can be run as a project of an organization which could based on CSR strategies derived from the CSR agenda.

Leero, and Black, (2014) state that World Business Council for sustainable Development identified some CSR strategic areas namely:

- i. The management of the organization plainly states the responsibility towards its stakeholders.
- ii. The organization develops and implements comprehensible CSR policies.
- iii. The organization has rules of engagement for social and environmental concerns.
- iv. The organization decreases its “ecological footprints”, both in production and in the process of production.
- v. The organization has goals to environmental and social concerns.
- vi. The organization shows an active engagement with regard to the development of its local society.
- vii. Consumers are enlightened on how products’ benefit.
- viii. The organization informs about all its different business areas in a transparent manner.

#### **2.1.8. CSR and Non- Performance variables**

(Wanyama, 2012) highlighted various ways by which CSR approach to business decision-making might lead to improved performance which include the followings:

##### **i. Employee Recruitment, Motivation and Retention**

Harteis, (2012), pointed out that corporate social responsibility has become an essential issue that attract and retain the workforce. Business organization that take cognizance of the interests of the employees by offering good working conditions will accomplish better performance in terms of quality and delivery, and, therefore, experience higher levels of productivity.

##### **ii. Learning and innovation**

Companies that impact knowledge in the society stand a chance of improving learning and innovation of new ideas that will benefit the business at long run and ensure the survival of any business. Corporate social responsibility can be used as the tool to achieve the business initiate of improving the learning and innovation for business to respond to unusual environmental and societal risks and turn these into business opportunities rather than threats.

##### **iii. Reputation management**

Companies function according to the market scenario in its environment and there is a need to work on how companies are adjudged by its stakeholders: customers, suppliers and the broader community to provide an impact on their profitability and success. Corporate social responsibility provides a way by which companies can persuade the attitudes and perceptions of their stakeholders in developing their trust and enabling the benefits of positive relationships to deliver business advantage. (Bolanle *et al*,2012)

**iv. Risk profile and risk management**

Corporate social responsibility offers more effective management of risk, helping companies to reduce avoidable losses, identify new emerging issues and use positions of leadership as a means to gain competitive advantage.

**v. Competitiveness and market positioning**

Corporate social responsibility as a tool to brand a company through its activities to its immediate environment can portray the consumer's attitude towards a product away from competitors and improve profitability.

**vi. Operational efficiency**

Corporate social responsibility can provide an opportunity for a business organization to reduce its preliminary costs to the business through provision of some specific CSR activity to the society in which the society will pay back in kind which will reduce operational cost and increasing operational efficiency.

**2.1.9 Concept of Corporate Image**

Corporate image is the customer's attitude towards the company concerning its service, product quality, culture, corporate behavior or the behavior of company's employees and others. (Smith & Taylor, 2006) assert that images and perceptions are formed through all senses (sight, sound, smell, touch, taste) and feeling experienced through product usage, customer service, the commercial environment and corporate communications.

Kandampully and Hu (2007) highlight two main components of corporate image to include the tangible attributes that can be measured and evaluated and emotional characteristics such as feelings, attitudes and beliefs the customers have towards the firm. These emotional components are based on accumulative experiences the customer have over a time with the organization.

**2.1.9.1 Advantages of a Good Corporate Image**

Smith and Taylor (2006) identified the advantages of corporate image which can lead to competitive advantage as:

- i. Improved sales: Company with good reputation has created a goodwill for itself which will reposed the confidence of customers on its product and thus, improve sales of such products.
- ii. Support new product development: The problem that new product faced in the market is the ability to identify with the company that produce such product but a well known company will overcome such problem as the people already prefer the company through its reputation.

- iii. Strengthen financial relation: Good reputation of a company will make to stand out in its relationship with its stakeholders which will improve the viability of the company financially.
- iv. Harmonize employee relations: A well known company will have harmonious relationship with its employees as they will have confidence in its ability to survive any hurdle in the future.
- v. Manage crises: Company with good reputation will have opportunity to manage any crises that might brew up in the course of its operation.

### **2.1.10 Customer Loyalty**

Oliver (1999) defines customer loyalty as: "a deeply held commitment to rebuy or re patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior."

The community around the company position can be motivated in a way that will make them to be loyal to the company and serve as effective elements in the marketing mechanism. Zhao, Webb and Shah, (2014) provide the operational definition of customer loyalty as "a way for behavioral and attitudinal loyalty to be represented as tangible and functional constructs". Griffin (1995) identified the types of loyalty as:

- Premium loyalty: this loyalty is illustrated by high level of attachment to service provider and repeat purchase, this type of loyalty should be strived by firms.
- Inertia loyalty: It portrayed by high level of repeat purchase but no emotional attachment to the service provider. It is most susceptible to competitors' earnings.
- Latent loyalty: This arises when customers purchase the service occasionally, even though they feel a strong emotional attachment to the service.
- No loyalty: this happen when there is no attachment to the service provider and customers don't repeat purchasing from the firm again.

#### **2.1.10.1 The Benefits of CSR through customer Loyalty:**

Bennett and Bove (2002) highlight the benefit of customer loyalty as:

- ❖ Long-term relationships between customers and service provider and this will minimize risks, and help choice and achieve optimal satisfaction.
- ❖ Enhance customer confidence about the company, so it will supply appropriate product/services and if the product is non- performing, the customer guaranteed that the firm will take the corrective action quickly.
- ❖ Loyal customer can economize decision efforts.

- ❖ Firms could be easily understood loyal customer needs and this will decrease time consumed by customer in providing information, communicating problems.
- ❖ Loyal customer can avoid the cost of learning new purchasing procedures.
- ❖ Loyal customer will encourage service provider to offer " special treatment " such as ( price breaks, faster services, extra attention, personal recognition).
- ❖ Loyal Customers will gain social benefits from a health and strong relationship with their service provider such as (feeling more comfort and familiarity, friendship, social support and personal recognition).

### **2.1.11 Concept of Consumer Goods**

Consumer goods are goods and services purchased for consumption by the average consumer, alternatively called final goods. Consumer goods are the end-result of production/manufacturing. Clothing, food and jewelry are all examples of consumer goods. Some product cannot be considered as consumer goods because they must be transformed into usable products. Consumer goods are also called a final good, or end product because it is ready for consumption of the consumer. The products are sold to consumers for use in the home or school or for recreational or personal use.

One of the major consumer goods groups is called Fast Moving Consumer Goods (FMCG). This includes the nondurable goods like food and drinks. Companies and retailers prefer the aspect of consumer goods as the products of the fastest-moving consumer goods can be purchased from stores, shelf space and it offer great turnover opportunities. (Babalola, 2012).

#### **2.1.11.1 Types of Consumer Goods**

Costa and Menichini, (2014) highlighted the types of consumer goods to include: durable goods, nondurable goods and services.

**A. Durable goods:** These are consumer goods that have a long life span and are used over a long period of time. Examples include Television, Fridge etc. These Consumer durable goods have a long life span, often three years or more (although some school of thoughts classify goods with life spans as little as one year as durable). As with capital goods (tangible items such as buildings, machinery, and equipment produced and used in the production of other goods and services), the consumption of a durable good is spread over its life span, which tends to make provision for demand of a series of maintenance services. The similarities in the consumption and maintenance patterns of durable and capital goods is sometimes difficult to understand.

**B. Nondurable goods:** These are goods that are purchased and consumed in less than three years and have short life spans. Examples include food and drinks. Consumer nondurable

goods are purchased for immediate consumption and have a life span ranging from the period of purchase to three years. Common examples of these are food, beverages, clothing, shoes, and gasoline.

**C. Services:** Consumer services are intangible products or actions that are typically produced and consumed simultaneously. Common examples of consumer services include repairs and haircuts, auto repairs, and landscaping.

### **2.1.12 Consumer Goods Manufacturing Companies and CSR**

Manufacturing companies in Nigeria like (Seven Up Bottling Company and Nigeria Breweries plc), perceive the concept of CSR as a commitment by business to behave ethically in ways that will contribute to socio-economic development of the society. The concept is also expected to improve the quality of life of not only the company's workforce and its immediate family but also that the community as well as the society at large. (Porter & Kramer, 2016).

Usman, and Amran, (2015) state that there has been a paradigm shift from adopting more responsible business practices as a result of regulatory citations, consumer complaints and special interest group pressures, to proactive research exploring corporate solutions to social problems and incorporating new business practices that will support these issues. This shift has been due to:

- i. Increasing evidence- based report illustrating the benefit of the socially responsible business practices firms to the society that result in increase in profits.
- ii. consumers are having different options of making choices based on the criteria beyond product, price and distribution channels, research emphasized that consumers are also basing their purchase decisions on reputation for fair and sustainable business practices and perceptions of commitment to the community's welfare.
- iii. Coverage of corporate activities has improved through technology and third party reporting that report actual scenario of activities in business environment.
- iv. Disclosure of company activities as its related to Corporate Social Responsibility has increase customer awareness of the responsibility of the company and their attitude towards the society.

### **2.1.13 CSR and Organizational Performance**

Richard, Devinney and Yip (2009) state that organizational performance covers three specific areas of firm outcomes namely: financial performance (profits, return on assets, return on investment, etc.); product market performance (sales, market share, etc.); and shareholder return (total shareholder return, economic value added, etc.). These entire outcomes premise on the actual output or results of an organization as measured against its intended outputs (or goals and objectives). Recently, organization employed balance scorecard methodology to track the performance with the use of the following dimensions:

- financial performance (e.g. shareholder return)
- customer service
- social responsibility (e.g. corporate citizenship, community outreach)
- employee stewardship
- Organizational performance
- Performance measurement systems
- Performance improvement
- Organizational engineering

Husted and Salazar, 2006; Marom, 2006 embarked on comprehensive review of the relationship between CSR and organizational performance to explore the impact of CSR activities on organizational performance. The study deduced that firms perceived as having met social responsibility criteria have either outperformed or performed as well as other firms that are not necessarily socially responsible. Such positive relationship has also been supported by a recent meta-analysis of the relationship between CSR and organizational performance.

### **2.2.0 Theoretical Framework**

This study was guided by the stakeholder theory, Carroll's theory and triple bottom line model. The stakeholder theory lays out the role of the organization and key people close to the organization.

### **2.2.1 Stakeholder Theory**

Freeman (1984) proposes Stakeholder theory to serve as a design for a corporation's structure. Hassan and Ahmed (2012) state that the term "stakeholder" first appeared in an internal memorandum at SRI International in 1963 as a means to tackle the idea that stakeholders are the group to which management needs to be accountable.

Hilda, Hope, & Nwoye, (2015) affirm that the theory recommends that the managers should adopt the terminology based on the idea of the stakeholder, which necessitated the profunder of the theory 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.

(Butler, 2016) asserts that the company should consider CSR and the way it affects all stakeholder's interest in the business. Stakeholders consist of individuals who are making decisions on behalf of an organization. These stakeholders can include "creditors, employees, customers, suppliers, and the communities at large. Primary stakeholders were categorized as the individuals who participate within the organization, including employees, managers, and the local community

Cecily (2014) defines a primary stakeholder group as "one without whose continuing participation the corporation cannot survive as a going concern" and the primary group includes "shareholders and investors, employees, customers and suppliers, together with what is defined as the public stakeholder group: the governments and communities that provide infrastructures and markets, whose laws and regulations must be obeyed, and to whom taxes and obligations may be due while the 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". The secondary groups are defined as "those who influence or affect, or are influenced or affected by the corporation, but they are not engaged in transactions with the corporation and are not essential for its survival. Nevertheless, all stakeholders are important to organizations. Additionally, firm leaders and stakeholders need to discuss the best ways to implement CSR in an attempt to protect their constituents

(Freeman, Rusconi, Signori, & Strudler, 2012) state that stakeholder theorists describe appropriate and inappropriate organizational behavior based on how business behaves towards their stakeholders. The stakeholder theory is a tool employed to analyze those groups to whom the firm should be responsible. Stakeholder theory asserts that those whose lives are touched by a company hold a right and obligation to participate in directing

it. Hence, there is not an exploratory goal to the stakeholder theory; researchers use it to help organizational leaders provide better care to their constituents.

According to Baruch, (2015), stakeholder theory assumes that business should consider the interest of the different stakeholders in their operations, production and decisions. It explains further that stakeholders are the beneficiaries of the CSR and they also use some influence on the company's behaviour. The creation and transformation of institutions is as a result of the mutual interaction of the agency of actors influencing institutions. From the stakeholder theory perspective, the focus becomes how to please and build mutually beneficial relationship with the CSR beneficiary community. Bessong, & Tapang, (2012) argued that the underlying philosophy for CSR activities under the stakeholder model can produce positive attitude among employees, customers and the general society thereby increasing their participation levels, and also influence their association with the firm.

In addition, Nigeria's cultural principles show that there is a strong element of stakeholder orientation. Administrator (2012) explained further 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. Stakeholder theory proposes that organizational management will do their best to maximize the wealth of stakeholders and the organization.

The CSR-focused stakeholder theory has achieved wide acceptance in business organizations, but it changes as the company changes. The stakeholder theory presumes the corporation's duty is wealth creation in conjunction with CSR. Within CSR, the focus of the stakeholder theory has been on the idea that stakeholders create, increase, and maintain the value of an organization. (Adeboye & Olawale, 2012)

An organization cannot function properly without stakeholders therefore, Corporate social responsibility considers the interest of stakeholders in the organization and community; these actors work together for positive outcome. Corporate social responsibility specifies the responsibilities of organizations, whereas the stakeholder theory designates to whom the organization should be accountable. Stakeholders want businesses to practice CSR because ethics are always a critical concern. If a corporation causes harm to stakeholders, they have a duty to rectify the situation. (Akanbi & Ofoegbu, 2012).

Stakeholder dialogue has the potential to be beneficial for handling stakeholder dealings. Communication between managers and stakeholders about CSR activities and

obligations can balance stakeholders' requests. In corporations, managers have a duty to act on behalf of the shareholders and to make as much of a profit as possible. The relationship between businesses and stakeholders could be challenging because of differing expectations, different interpretations based on cultural differences, and what is the most prudent means of handling operations. (Adebayo et al. (2012).

The interaction between the corporation and its stakeholders is the essence of stakeholder theory, and in consequence terms like "participation", "inclusion", "voice", "involvement", and "partnership", is common in stakeholders' literature. These terms have been put in the same basket named "stakeholders dialogue" to describe the involvement of stakeholders in decision making processes that concern both social and environmental issues. As support for participatory decision-making continues to throw across the environmental sector, the academic literature has begun to identify emerging tensions and challenges to the effective implementation of participatory processes, although still a new field (Akindele, 2012).

### **2.2.2 CSR and Stakeholder Theory**

One of the important differentiating factors in the approach of neo- Keynesian commentators to CSR (in contrast to the neoliberal view) is the argument that in order for CSR to be effective and meaningful, the interests of a range of stakeholders other than shareowners need to be taken into account by corporations (Chalex, 2012).

According to Wanyama (2012), Stakeholder theory is based on the notion developed by Freeman (1984) that firms consist of various stakeholders beyond their own shareholders and all the groups should come together for objective of an organization to be achieved. Adeboye and Olawale (2012) highlighted the term 'stakeholder' to include:

- i. Shareholders: stakeholders that have a direct equity interest in the company;
- ii. People with a financial interest in the company (financiers, suppliers and other creditors), or those in some other commercial legal relationship with the company (for instance, business partners);
- iii. People who are involved in some manner in the company's wealth creation (employees and consumers);
- iv. People directly affected by a company's conduct (for instance, communities adjacent to a company's operations);
- v. Pressure groups or NGOs, usually characterized as public interest bodies, that espouse social goals relevant to the activities of companies.

The term also include regulators, the financial markets, the media, governments and the community.

Adeyanju, (2012) defines 'stakeholders' further as 'any individuals or groups affected, either directly or indirectly, by the activities of corporations. Stakeholders include shareholders, employees, consumers, neighbouring communities, indigenous peoples and others'. He stated further that Stakeholder theory focused on the managerial model of an entity and, as a result, narrowly defined 'stakeholder' as a group that impacts on the success of the organization in terms of production outcomes and transactions. The broader definition of the stakeholder view of the firm includes those who may affect or be affected by the organization - employees, customers, local community, management, owners and suppliers and so on'.

Olaroyeke, Togun and Olubunmi (2014) affirm that a firm cannot disregard the problems of the environment in which it operates. Therefore, there is a need to examine the effect of corporate social responsibility on firm's performance. Little (2006) maintained that corporate social responsibility initiatives can lead to innovations through the use of social, environmental, or sustainability drivers to create new products and services.

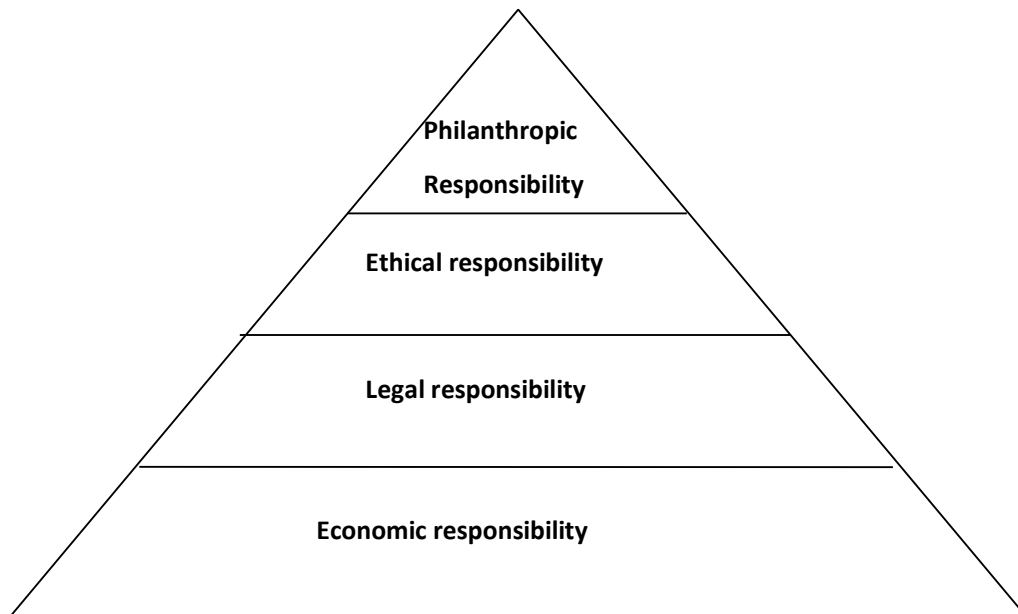
According to Akano *et al.* (2013), the theme of environmental and social responsibility appears in a number of political and legal documents and is gaining ever-greater importance at the international level. Today, corporate leaders face a dynamic and challenging task in attempting to apply societal ethical standards to responsible business practice. However, there is a great deal of ambiguity and uncertainty about what corporate social responsibility really means as well as what drives a business to pursue it. Whatever are the motivations behind CSR theories, it is also interpreted as the concept of triple bottom-line ("People, Planet, Profit") which captures an expanded spectrum of values and criteria for measuring organizational success; economic, environmental and social. Whereas business ethics and corporate governance combine to generate the means to achieve organizational excellence, the real test is when this excellence is converted into business sustainability and here, corporate social responsibility plays a major role.

Various views have been offered to explain the importance or otherwise of corporate social responsibility (CSR) in business activity. For their part, neoclassical economists advance that the firms should devote their energies to supplying goods and services to their customers, they should minimise costs and maximise profits; and all this should, of course, take place within the laws and rules/regulations of the land (Jamali, 2012). Indeed, some proponents of this viewpoint go as far as to argue that CSR is not only a deflection from the

main business of wealth-creation, thus serving to blunt competition, but also an economic (cost) imposition on the firm.

### **2.2.3 Carroll's Pyramid of Corporate Social Responsibility**

According to Olowokudejo and Aduloju (2014), the commonly used theoretical approach to CSR is Carroll's 1991 Model or Pyramid of Corporate Social Responsibility. The model stated that corporate social responsibility involve four social responsibilities; economic, legal, ethical and philanthropic. These four responsibilities can be illustrated as a pyramid. It considers CSR to be framed in such a way that the entire range of business responsibilities is embraced. Several businesses, society, and business texts have incorporated Carroll's four categories Olowokudejo and Aduloju (2014) assert that economical responsibility is the most fundamental and most important responsibility of a company, which reflect the nature and the importance of company as a profit-making organization. The studies argued that without economic responsibility, it is impossible to carry out other responsibilities as all other responsibilities are based on economic responsibility.



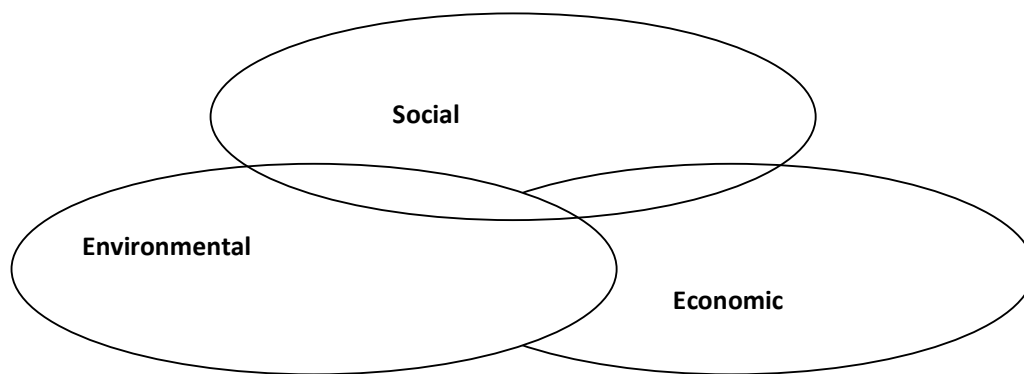
**Source: Carroll (1991)**

Figure 3: Carroll's 1991 Pyramid of Corporate Social Responsibility

#### 2.2.4 The Triple Bottom Line Model

The triple bottom line model is another theoretical approach to CSR. The term Triple Bottom Line was coined by Ellington in 1997. Triple bottom line model provides a framework for measuring performance and success of the business using the economic, the social and the environmental line. Adeyanju, (2012), referred to the triple bottom line model as the practical framework for sustainability. It is also known as People, Planet, and Profit, or the three P's.

The triple bottom line is based on the assumption that companies do not only have profitability as their only objective but that they also have other objectives such as adding environmental and social value to society (Crane & Matten, 2004).



**Source: Ellington (1997)**

Figure 4: Triple Bottom Line Model

Adeyanju, (2012) states that the triple bottom line explained that the businesses do not have one objective: profitability, but that they also have other objectives of adding environmental and social value to society. He stated further that the concept of sustainability is derived from the component of environmental perspective about how to handle physical resources so that they are preserving 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 emergence of the social perspective came after the development of environmental and economic perspectives. The main issue in the social perspective on sustainability is social justice. It can be deduced that economic and environmental sustainability involved in the concept of externalities which made more emphasizes to be placed on 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 concept is observed as being moral and ethical as part of the organization's philosophy; but also as key drivers in ensuring that society will make the organization to survive in the long term, as society benefits from the organization's activities and behavior" (Akano *et al.* (2013).

CSR is the concept that a firm should take into account its impact on the activities of the organisation's shareholders and other stakeholders where the business operate including the community surrounding the company. It is a approach of appreciating all stakeholders in the business. It is a attempt to pay back to the society in which the firm has derived maximum benefit.

#### **2.2.4.1 Elements of the Triple Bottom Line**

Adebayo *et al.* (2012) states that sustainable society should meet three conditions; the rate of use of renewable resources should not exceed their rate of generation; the society's rate of use of non-renewable should not exceed the rate at which sustainable renewable substitutes are developed; and its rate of pollution should not exceed the capacity of the environment, the environment line is concerned with the efficient use of resources, reduction in greenhouse gas emission, minimizing ecological footprint, etc. The economic line of the triple bottom line is concerned with the impact the organization has on the economic systems as well as the economic performance of the organization itself. Elkington's model also states that the Social line of the triple bottom line model refers to conduction beneficial and fair business practices to labour, human capital and to the society.

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

Matten and Moon (2014) presents a conceptual framework for understanding corporate social responsibilities in terms of 'implicit' versus the 'explicit' corporate social responsibilities. Explicit CSR has to do with corporate policies with the objective of being responsible for the interest of the society. Example of Explicit CSR involves voluntary, self-interest driven corporate social responsibilities policies and strategies.

Implicit CSR is a country's formal and informal institutions that provide organizations with an agreed share of responsibility for the concerns of society's interests. 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. (Akindele, 2012).

Of the above mentioned theories, Stakeholder Theory propounded by Freeman (2008) is applied in this study because it asserts that firms need to create value for all stakeholders such as customers, consumers, suppliers, employees, shareholders and the community where an organization is situated. The firm can build its competitive advantage if it provides social economic value to the immediate environment of the organization.

### **2.3 Empirical Framework**

Empirical studies have been carried out in the area of social responsibility by examining its relationship with the growth of organizations and these studies look into how CSR affect organisational performance. The scholars' views and findings are presented below:

Adebayo *et al.* (2012) examined the meaning and practice of corporate social responsibility in relation to its impact on profitability (return on assets and return on equity) by using regression and product moment correlation. The result of the study revealed that indigenous firms perceived and practice corporate social responsibility as corporate philanthropy. It was also discovered that the performance and reporting of social responsibility has a positive correlation with the profitability, that is, return on assets of the banks. It was also revealed that the performance of corporate social responsibility reporting has no correlation with return on equity. The study concluded that performance and reporting of social responsibility goes a long way in boosting the reputation, sales and profit level of the firms.

Adebayo, Oluwatosin, and Elizabeth, (2012) studied the Corporate Social Responsibility Reporting and Financial Performance of Money Deposit banks in Nigeria. The findings show that CSR Reporting has significant impacts on the financial performance of the Nigerian money deposit banks and that Nigerian banks disclose their CSR activities.

Adeboye and Olawale (2012) examined the corporate social responsibility and business ethics as effective tools for business performance in Nigerian banks. The finding of the study showed that there is no significant between employees of First Bank and Guaranty Trust Bank on corporate social responsibility and business ethics as regard business performance. However, ethical standard of doing business and financial performance differ significantly.

Adeyanju, (2012) studied an assessment of the impact of corporate social responsibility on Nigerian society: The examples of banking and communication industries .The findings revealed that CSR plays a significant role in Societal Progressiveness in terms of environmental and economic growth.

Akano *et al.* (2013) examined various types of social responsibility activities: information that were disclosed by Nigerian commercial banks and the factors that determine the level of disclosure in their annual reports and accounts. The research works concluded that the value of total assets has positive relationship and statistically significant with the level of corporate social responsibility activities disclosure. Gross earnings and number of branches are positively and significantly related with Corporate Social Responsibility Disclosure (CSR) level.

Akindele, (2012) explored the Corporate social responsibility as an organizational tool for survival in Nigeria. The findings of the study revealed that about 90% of the participants indicated that the extent of participation of the banks in social responsibility activities is high.

Akinpelu, Ogunbi, Olaniran, and Ogunseye, (2013) studied Corporate Social Responsibility Activities Disclosure by Commercial Banks in Nigeria. The findings showed that the Nigerian commercial banks do disclose their Corporate Social Responsibility in their annual reports although the activities are not much compare to stakeholders' expectations.

Amole, Adebayo, and Awolaja (2012) examined Corporate Social Responsibility and Profitability of Nigeria Banks - A causal Relationship. The study revealed that CSR have a significant impact on profitability of Nigerian Banks.

Anyafulu (2010) examined the Impact of social responsibility on organizational performance. The study concluded that different areas of corporate social responsibility contribute differently to the public image of an organization.

Arvanitis, and Wörter, (2013) studied the Firm characteristics and the cyclicity of R and D investments: Industrial and Corporate Change. The findings showed that R & D investment have significant impact on industrial and corporate change.

Babalola, (2011) examined the Impact of Corporate Social Responsibility on Firms' Profitability in Nigeria; the findings showed that the sample firms invested less than ten percent of their annual profit to social responsibility.

Barney, (2012), explored Corporate Social Responsibility and Its Role in Community Development. The findings showed that CSR activities have a significant impact on community development.

Baruch, (2015) studied Corporate Social Responsibility: Doing Good or Wasting Shareholders' Money? The findings of the study showed that CSR expenses do not amount to a waste of shareholders' money and fruitful less effort rather it is a good deed that enhances improved organisational performance and survival.

Bénabou, and Tirole, (2015) examined the Relationship between organisational performance and corporate social Responsibility in Nigeria. The findings showed that there is significant relationship between organisational performance and Corporate Social Responsibility.

Bessong, and Tapang, (2012) explored the Social Responsibility Cost and Its Influence on the Profitability of Nigerian Banks. The study concluded that CSR costs have significant impacts on the profitability of the Nigerian banks.

Beurden, and Gössling, (2016) examined the Worth of Values – A Literature Review on the Relation between Corporate Social and Financial Performance. The findings of the study

showed that there is a significant relationship between Corporate Social and Financial Performance.

Biggs, and Ward, (2014) examined Linking corporate social responsibility, good Governance and corporate accountability through dialogue. The findings concluded that there is significant relationship between good governance, corporate accountability and CSR. It added that these could be best achieved through peaceful co-existence and dialogue among the stakeholders.

Bolanle *et al* (2012) examined corporate social responsibility and profitability of Nigerian banks based on causal relationship by using First Bank of Nigeria Plc. as the case study for the period of ten years (2001-2010). CSR was considered as the independent variable while PAT was the dependent variable. The outcome of the research showed a significant positive impact of CSR on PAT.

Burianová and Paulík, (2014) studied Corporate Social Responsibility in Commercial Banking – A Case Study from the Czech Republic, The findings showed that Corporate Social Responsibilities have significant impact on the performance of commercial banks in the Czech Republic.

Cecily (2014) explored Corporate Social Responsibility in the Nigerian Banking Sector; The findings showed that banking sector plays significant impact on the CSR compliance.

Chalex (2012) examined the impact of CSR as an integral part of organisational change; the results confirmed that there is strong relationship between changes and management accounting and there may be circumstances under which retention of the traditional techniques is appropriate; Although, the study discussed CSR as an integral part of organisational changes.

Chetty, Naidoo, and Seetharam, (2014) studied the Impact of Corporate Social Crane, Measuring Financial Performance: A Critical Key to Managing Risk. The findings concluded that there is a significant relationship between Corporate Social Crane as a critical tool for measuring financial performance and risk management.

Costa and Menichini, (2014) studied Multidimensional Approach for CSR Assessment: The importance of the Stakeholder Perception. The findings of the study showed that the shareholders' perception to CSR compliance may not always be right but cannot be overruled as it proffers solutions to CSR challenges.

Dhaliwal, Radhakrishnan, Tsang, and Yang, (2012) examined Non-financial Disclosure and Analyst Forecast Accuracy: International Evidence on Corporate Social Responsibility Disclosure. The study concluded that non-financial disclosure by organisations has a significant impact on CSR compliance.

Dibb, Eisingerich, Rubera, Seifert, and Bhardwaj, (2013) explored Doing Good and Doing Better Despite Negative Information, the role of Corporate Social Responsibility in Consumer Resistance to Negative Information. The study revealed that there is a correlation between CSR and Consumer Resistance to Negative Information which subsequently have significant impact on organisational performance.

Ejumudo, Edo, and Sagay (2011) studied critical assessment of environmental issues and corporate social responsibility in Nigeria. The findings concluded that oil companies operating in the region has done little or nothing in minimizing the difficulties of the host communities.

Emezi, (2015) examined Corporate social responsibility (CSR) and business sustainability: HR's leadership role. The findings of the study showed that business sustainability and survival depend on efficiency and effectiveness of the CSR activities as designed and carried out by HR's leadership roles.

Emmanuel, (2014) explored Measuring Financial Performance: A Critical Key to managing Risk. The findings of the study revealed that there is a correlation between effective and efficient financial performance measuring tools and risk management strategies as the duo have significant relationship with the organisational survival.

Hezekiah, (2014) examined the Relationship between corporate social responsibility practice and financial performance of firms in the manufacturing, construction and allied sector of Nairobi Securities Exchange. The findings of the study showed that there exists a significant correlation between corporate social responsibility practice and financial performance of firms in the manufacturing, construction and allied sector of Nairobi Securities Exchange and that there is high CSR compliance level.

Hilda, Hope, and Nwoye, (2015) examined the impact of CSR on organisational performance Nigeria using selected firms in Nigeria. Findings revealed a significant relationship between social responsibility cost and corporate profitability.

Iya, Badiya, and Faiza, (2015) studied Corporate Social Responsibility (CSR) and the Performance of First Bank Nigeria Plc, Adamawa State. The findings revealed that CSR have significant impact on the performance of first bank Nigeria plc.

Jamali, and Mirshak, (2012) examined Corporate Social Responsibility and Firms Financial Performance. The findings showed that there is a significant relationship between Corporate Social Responsibility and Firms Financial Performance.

John, (2015) examined the Impact of Corporate Social Responsibility on the Equity Bank in Kenya. The findings of the study showed that CSR has a significant impact on the Equity banks in Kenya as it Improves Its Performance.

Kariuki, (2014) explored the Challenges facing the Safaricom Foundation in aligning Corporate Social Responsibility to Corporate Strategy. The finding showed that Safaricom Foundation really battles with some challenges in a bid to aligning CSR to corporate strategy and also that there is a significant correlation between CSR and corporate strategies.

Kazeem Ajide, (2014) studied the Determinants of Economic Growth in Nigeria. The findings show that the same set of variables like labour, life expectancy, degree of openness and economic freedom are factors affecting the level of economic growth though at different levels of significance.

Peter and Marwick (2015) studied the Survey of corporate social responsibility reporting in Nigerian Oil companies. The finding of the study showed that some of the Nigerian oil companies are not up to the task in terms of their CSR which bring about the consistent problems and agitations by the host communities.

Lipunga, (2014) examined the Corporate Social Responsibility Reporting by Commercial Banks: Evidence from Malawi. The findings revealed that a large number of commercial banks in Malawi comply with CSR directives and that their CSR reporting is in line with their activities.

Lopez, *et al* (2015) studied the Sustainable development and corporate performance. The findings concluded that there is a significant relationship between Sustainable development and corporate performance.

Mairesse and Wu, (2014) studied the assessment of the firm-level impacts of innovation, exports, catch-up and wage on employment growth in Chinese manufacturing companies. The findings showed that there is a correlation between firm-level of innovation, exports, catch-up and wage on employment growth in Chinese manufacturing companies.

Marian, *et al* (2014) examined the Impact of Corporate Social Responsibility Practices on the Banking Industry in Romania; the findings showed that CSR approach contributes to a favorable image in the Roman economic environment.

Masud and Hossain, (2012) explored Corporate Social Responsibility Reporting Practices in Bangladesh: A Study of Selected Private Commercial Banks. The findings showed that there is a strong correlation between Corporate Social Responsibility Reporting Practices in Bangladesh and the performance of the Selected Private Commercial Banks in the country. It also added that the CSR reporting practices make significant impact on their performance.

McGuire *et al* (2013) studied Corporate social responsibility and firm financial performance. The findings show that there is a significant relationship between CSR and organizational performance.

McWilliams and Siegel, (2012) examined Corporate social responsibility and financial performance: correlation or misspecification. The study concluded that there is a significant relationship between corporate social responsibility and financial performance.

Menichini and Rosati, (2014) explored a Fuzzy Approach to Improve CSR Reporting: An Application to the Global Reporting Initiative Indicators, The findings of the study advocated the need for global Reporting Initiative Indicator in order to have global CSR compliance.

Moon, and Matten, (2014) examined Government as A Drivers of Corporate Social Responsibility. The findings of the study showed that government has significant impacts on corporate Social Responsibilities as it serves as key drivers in the CSR compliance and monitoring.

Mwangi and Jerotich, (2013) studied the relationship between corporate social responsibility practice and financial performance of firms in the manufacturing, construction and allied sector of Nairobi Securities Exchange. The findings revealed that there is a significant relationship between corporate social responsibility practice and financial performance of firms in the manufacturing, construction and allied sector of Nairobi Securities Exchange.

Comincioli *et al* (2012) examined Corporate Social Responsibility and firms' performance. The findings showed that CSR have a significant impact on organizational performance.

Ngatia (2014) examined the effect of corporate social responsibility on financial performance of insurance companies in Kenya. The findings of the study showed that CSR have a significant impact on the financial performance of insurance companies in Kenya and that there is a robust synergy between the companies and the host communities.

Odetayo *et al* (2014) studied the Impact of Corporate Social Responsibility on Profitability of Nigeria Banks that Nigerian banks. The finding recognized the importance of corporate social responsibility for sustainable development and they are performing their obligation to the society.

Ogunkade and Mafimisebi, (2013) examined the Contributions of Corporate Social Responsibility to Agriculture and Rural Development in Nigeria. The findings concluded Corporate Social Responsibilities have significant impacts on Agriculture and Rural Development in Nigeria.

Ojo (2012) studied the Appraisal of the Practice of Social Responsibility by Business Organization in Nigeria. The findings concluded that there is correlation between the CSR activities and organizational performance. It further established the fact that there is no peculiar uniformity in CSR compliance in Nigeria.

Okon (2014) examined Corporate Social Responsibility in Nigeria: A Study of the Petroleum Industry and the Niger Delta Area. Findings concluded that the Niger Delta area is poor in

development given the unwillingness of the government to sacrifice expected high returns on petroleum exploration for the development of the area and lack of knowledge of and will power to make and execute uninformed decisions concerning the exploration and management of the activities of multi-national companies operating in the area.

Olaroyeke, *et al* (2014) examined Corporate Social Responsibility and Organizational Performance: A Theoretical Review. The study revealed a strong link between a firm's CSR practices and its performance.

Olowokudejo and Aduloju, (2014) explored Corporate Social Responsibility and Organizational Effectiveness of Insurance Companies in Nigeria. The study concluded that CSR enhances effectiveness of insurance companies in Nigeria.

Onah and Thomas (2014) studied Marketing Management: Strategies and cases. The findings of the study linked CSR activities with the strategies of marketing management and concluded that the suggested strategic measures ( including being good to the host communities) are the integral ingredients for marketing management.

Porter and Kramer, (2016) studied Strategy and Society: The Link between competitive advantage and corporate social responsibility. The findings revealed that CSR activities have a significant impact on the comparative advantage available to companies and also serves as parts of the strategies that enhance societal loyalty. The study revealed a strong link between a firm's CSR practices and its performance.

Richard, and Okoye, (2013) examined the Impact of corporate social responsibility on the deposit banks in Nigeria. The findings showed that there is a significant relationship between corporate social responsibility and the deposit banks in Nigeria.

Soana (2014) examined the Relationship Between Corporate Social Performance and Corporate Financial Performance in the Banking Sector. The study concluded that there is a significant relationship between Corporate Social Performance and Corporate Financial Performance in the Banking Sector.

Temitope and Olayinka, (2014) studied Corporate Social Responsibility and financial performance in developing Economies-The Nigerian Experience. The findings concluded that Corporate Social Responsibility has significant impact on organisational financial performance in Nigerian.

Usman and Amran, (2015) examined Corporate social responsibility practice and corporate financial performance: evidence from Nigeria companies. The findings of the study revealed that despite the fact that the country has no static CSR rules, yet, Nigerian companies engage in CSR activities, although these may not up to the expectations as being claimed by some quarters.

Uwaloma and Egbide (2012) studied the Impact of firms' financial leverage and the level of corporate social responsibility disclosures. The paper revealed that there is a significant negative relationship existed between firms financial leverage and the level of corporate social responsibility disclosures.

Wahla, Shah, and Hussain, (2012) studied the Impact of ownership structure on firm performance evidence from non-financial listed companies at Karachi Stock Exchange. The findings showed that ownership structure has significant impact on firm performance. Also, the study also shed more light on how organisational growth is mired or made through ownership structure.

Wanyama (2012) studied CSR within the Kenyan perspective. The researcher observes that corporations are regarded as good citizens if they adopt ethical practices which are in tandem with the accepted society norms. The study observed that there was moderate but low comprehension CSR that made it very difficult to determine the effects of CSR.

Yeshmin, (2012) studied Visualization of Corporate Social Responsibility Information of Commercial Bank in Bangladesh, The findings revealed that the level of Corporate Social Responsibility Information of Commercial Bank in Bangladesh is encouraging and make significant impact on the performance of commercial banks in Bangladesh.

#### **2.4. Gaps in the Literature**

Despite several studies on the relationship between CSR and Performance, there have been few studies that employed non- financial variables to evaluate the effect of CSR on Performance while most of the previous studies also relied on secondary data. Benabou and Tirole, Emezi, John, Usman and Amran (2015), Odetayo et al, Menichin and Ngatia, Lipunga, Hezekiah, Olowokudeji and Aduloju (2014), and Adeyanju (2012) studies the impact of CSR on Performance while all the studies concentrated on financial performance and secondary data were employed. Also, the few studies on Corporate Social Responsibility and non-financial variables were conducted in other industries of the economy. Thus, the gap of using only secondary data, financial variables to evaluate the impact of CSR and non considering consumer goods manufacturing companies motivates this study.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 Preamble**

This chapter is a blue print of the methodology that was used to answer the research questions. The section presented the areas that was significantly helpful to the study such as Research Philosophy, Research Strategy, Research Methods, Research Approach, Research Design, Sources of the Data, Population of the Study, Sample Size Determination, Sampling Technique/ Procedure, Method of Data Collection, Method of Data Analysis, Validity of Research Instrument, Reliability of Research Instrument and lastly, Ethical Consideration

#### **3.2 Research Philosophy**

For the purpose of this study, Epistemology was adopted as it has to do with acceptable knowledge of a particular area of study which is consumer goods manufacturing companies in Ibadan Metropolis.

#### **3.3 Research Design**

This study employs survey method as it involves sampling of individual units from the target population with the associate survey data collection technique through a well-structured closed - ended questionnaire that developed and distributed to the target respondents in the consumer goods manufacturing companies (Nigerian Breweries and Seven-Up Bottling company) in Ibadan metropolis and the people in the companies' environment.

#### **3.4 Research Methods**

Research Method can be broadly classified into two (2) namely Qualitative and Quantitative categories. Quantitative research method was employed for the purpose of this study because it lays emphasis on the collection of numerical data.

#### **3.5 Sources of the Data**

A primary source of data collection was employed and questionnaires were used to gather information from the respondents.

#### **3.6 Population of the Study**

Ogunbameru (2010) asserts that population of any study refers to the group (usually people) about whom the researcher wants to draw conclusion. Thus, Population of employees of Nigerian Breweries Plc according to their 2017 annual report and website information is

three thousand, three hundred and twenty-eight (3,328) and Seven Up Bottling company has the population of three thousand, five hundred (3,500) employees in Nigeria as at 2017 according to the company's website information

TABLE 3.6.1: POPULATION OF THE STUDY

NO	NAMES OF THE SELECTED COMPANIES	LOCATION	NUMBER OF STAFF
1	7up Bottling Company, Plc	Nigeria	3,500
2	Nigerian Breweries Plc	Nigeria	3,328
<b>TOTAL</b>			<b>6,828</b>

Source: Field Survey, 2018

### 3.7 Research Sample Frame

According to the study conducted at the two companies, Seven Up Bottling Company, Ibadan has a total of two hundred and sixty-three (263) while Nigeria Breweries, Ibadan depot has a total of three hundred and seventy (370) members of staff.

TABLE 3.7.1: SAMPLING FRAME OF THE STUDY

NO	NAMES OF THE SELECTED COMPANIES	LOCATION	NUMBER OF STAFF
1	7up Bottling Company, Plc	Ibadan	Mgt: 12 Senior: 29 Junior: 222 <b>Total: 263</b>
2	Nigerian Breweries Plc	Ibadan	Mgt: 31 Senior: 63 Junior: 276 <b>Total: 370</b>
<b>TOTAL</b>			<b>633</b>

Source: Field Survey, 2018

### 3.8 Sample Size Determination

There are various formulas for calculating the required sample size based on how the data was collected whether through categorical or quantitative method. These formulas required knowledge of the variance or proportion in the population and determination of maximum desirable error as well as type 1 error risk. For the purpose of this study, Krejcie and Morgan's Table of sample selection (1970) was adopted. Hence, using the table, a sample

size of one hundred and ninety-six (196) {see Appendix} was adopted each for both staffs of Seven-Up Bottling Company and Nigerian Breweries Plc respectively.

TABLE 3.8.1: SAMPLE SIZE

S/N	NAMES OF THE SELECTED COMPANIES	LOCATION	NUMBER OF STAFF SELECTED FOR SAMPLE SIZE	LOCAL GOVT.	LOCAL GOVT SAMPLE SIZE
1	7up Bottling Company, Plc	Ibadan	196	Ibadan South West	384
2	Nigerian Breweries Plc (NB)	Ibadan	196	Egbeda Local Govt	384
<b>TOTAL</b>			<b>392</b>		<b>768</b>

Source: Field Survey, 2018

### 3.9 Instrument of Data Collection

This study adopts a closed - ended questionnaire using the Five point Likert scale in series as SD= Strongly Disagreed, D= Disagreed, N= Neutral, A= Agreed and SA= Strongly Agreed as this allows consistency and accuracy. The questionnaire was divided into three section as; Section A deals with Demographic data of the respondents; Section B tests the respondents understanding of the subject matter while the last section: Section C considers the statements that relate to the hypotheses formulated in the research study.

### 3.10 Method of Data Analysis

The result of this study was analyzed using frequency distribution tables in displaying the percentage of the demographic data and also showed the level of agreement and disagreement to the research statements in the closed - ended questionnaire with the help of Statistical Package for Social Sciences (SPSS).

In addition, the validation of research hypotheses was done using multiple regression, Statistical Model Summary and ANOVA Correlation to determine if there is any significant impact and relationship between the independent variables such as social project and Educational Aids as sub-variables for (Corporate Social Responsibility (CSR) while the dependent variable (Performance) was measured using Corporate Image and customer loyalty as sub-constructs in order to substantiate the hypotheses formulated for this study.

### 3.11 Validity of Research Instrument

Content validity was employed in this study as it provides representativeness or sampling adequacy of the content of a measuring instrument.

### 3.12 Reliability of Research Instrument

Twycross and Shields (2004) describe the reliability of the research instrument in terms of consistency and stability which the results of a research obtained in identical situations but different circumstances. Reliability coefficient range from 0.00 to 1.00 with higher coefficient indicates higher level of reliability. Thus, Cronbach alpha was employed to test the reliability of research instrument in this study. The reliability of the research instrument was shown below:

Table 3.12.1: Cronbach Alpha Table

Variables	Cronbach Alpha	No of Items	Remarks
Social Project	0.765	5	High Reliability
Educational Aids	0.815	5	High Reliability
Corporate Image	0.786	5	High Reliability
Customer Loyalty	0.715	5	High Reliability

Source: Field Survey 2018

### 3.13 Limitation of the Study

The study was limited to selected manufacturing companies of consumer goods as most of the companies in the industry initially earmarked for the study did not have documented CSR activities that were quoted on their website while some have non-existing programmes which make the study to rely on available companies that have the ingredients of practical CSR activities that is noticeable in their environment.

### **3.14 Ethical Consideration**

The research study did not have any ethical concerns related to recruitment, materials, or processes as all the ethical considerations was absolutely put into consideration in the course of the study. Participants of the study was not at risk or vulnerable to any sector of the population. There was no ethical concerns related to data collection or intervention activities for the home or host community. The data for the study which seemed to be anonymous was stored on a password-protected external hard drive which would be destroyed after some years later.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND INTERPRETATION

#### 4.0 Introduction

This chapter introduces presentation of data gathered from the administered questionnaire among the respondents (Employees and Community) used as sample for this study. The responses to the questions in the questionnaires were analyzed using descriptive and inferential statistics for demographic characteristics and formulated hypotheses respectively. The descriptive statistics involves the use of frequency tables and percentages while inferential statistics evolves Analysis of Variance (ANOVA), Model Summary of Correlation and Multiple Regression Analysis using SPSS.

Table 4.1: Rate of Return Table (Employees)

<b>Response Rate</b>	<b>Frequency</b>	<b>% of Respondents</b>
Returned	259	66
Unreturned	133	34
Total	392	100

Source: Field Survey, 2018

Out of three hundred and ninety-two (392) questionnaires administered on the employees (staff) of the selected Consumer Goods Manufacturing Companies (Nigerian Breweries Plc and Nigeria Bottling Company Plc) at their Ibadan plants, a total number of two hundred and fifty-nine (259) were properly filled and returned representing 66% of the total questionnaires administered which is suitable for analysis while 34% of the questionnaires were not returned.

#### 4.1 Presentation and Analysis of Data

##### Demographic Characteristics of Respondents

Demographic profile of staff of the selected consumer-goods manufacturing companies in Ibadan metropolis, Nigeria. The demographic profile in terms of age, sex, marital status, educational qualification, level or position and relationship with the companies were explored.

Table 4.2: Frequency on demographic profile – Age of Respondents

Age	Frequency	Percent	Cumulative Percent
15 – 20	11	4.2	4.2
21 – 30	130	50.2	54.4
31 – 40	82	31.7	86.1
41- 50	24	9.3	95.4
51 and above	12	4.6	100
<b>TOTAL</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018.

Table 4.2 shows that out of 259 questionnaires respondents used as sample for this study, 4.2% and 50.2% of the respondents fall within the age range of 15-20 and 21 – 30 years respectively while 31.7%, 9.3% and 4.6% are under the age group 31-40years,41-50 years and 51years and above accordingly. It can be deduced from the above analysis that majority of the respondents who filled and returned the questionnaires are within the age group 31-40 years which implies that all the respondents captured by this study are mature enough to understand the contents therein.

Table 4.3: Gender of Respondents

Gender	Frequency	Percent	Cumulative Percent
Male	206	79.5	79.5
Female	53	20.5	100
<b>TOTAL</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018.

Table 4.3 shows that 79.5% of the respondent are male while 20.5% are female. The implication is that majority of the respondents are male. This accounts for the nature of the works involved in the companies as well as eagerness (activeness) of the male to partake in expressing their opinions via the distributed questionnaires.

Table 4.4: Marital status of Respondents

Marital status	Frequency	Percent	Cumulative Percent
Single	108	41.7	41.7
Married	149	57.5	99.2
Widowed	2	0.8	100
Divorced	0	0	100
Separated	0	0	100
<b>TOTAL</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018.

Table 4.4 shows that 41.7% of the respondents are single, 57.5% are married, 0.8% are widowed while none of the respondents appeared to be either divorced or separated which might due to the sensitivity attach to it. It can be deduced from the above analysis that as

marriage is a measure of responsibility (Olooto, Ayande & Salaudeen, 2017), therefore, majority of the respondents are married, more responsible and have stable mind as there was no any undue influence of opinions expressed therein from the opposite sex.

Table 4.5: Educational Qualification of Respondents

<b>Educational Qualification</b>	Frequency	Percent	Cumulative Percent
No formal education	2	0.8	0.8
Primary education	3	1.1	1.9
Secondary education	42	16.2	18.1
ND/NCE/Technical College/A 'LEVEL	140	54.1	72.2
HND/BA/B.Sc.	51	19.7	91.9
MA/M.Sc.	14	5.4	97.3
Others	7	2.7	100
<b>TOTAL</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018.

Table 4.5 shows that 0.8% of the respondents had no formal education, 1.1% had primary education, 16.2% had secondary education, 54.1% had ND/NCE/Technical college certificate;/A'Level educational qualification, HND/BA/B.Sc. and M.Sc. had 19.7% and 5.4% respectively while 2.7% has other educational qualification. This implies that majority of the respondents had ND/NCE/Technical college cert;/A'Level educational qualification which means that they were academically mature enough to understand why the research was carried out as well as their needs to supply accurate and reliable information.

Table 4.6: Level/Position in the firm of Respondents

<b>Level/Position in the Firm</b>	Frequency	Percent	Cumulative Percent
Junior staff	32	12.4	12.4
senior staff	20	7.7	20.1
Contract / Casual staff	157	60.6	80.7
Sub Contract/ Casual staff/others	50	19.3	100
<b>TOTAL</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.6 shows that 12.4% are junior staff, 7.7% are senior staff, 60.6% are casual staff while 19.3% are sub-contract/casual workers employed by contract workers in the companies. This shows that the population size of contract/casual workers are more than those of the companies' junior and senior staff.

Table 4.7: Relationship with the consumer-goods manufacturing company

6.	What is your relationship with the consumer-goods manufacturing company	Frequency	Percent	Cumulative Percent
a.	Employee	211	81.47	81.47
b.	Community member	02	0.77	82.24
c.	Company Management	46	17.76	100
	<b>TOTAL</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018.

Table 4.7 shows the relationship of the respondents with the consumer goods manufacturing company. 81.47% of the respondents claimed to be Employee while 0.77% and 17.76% represent both Community member and company management respectively, these were the community members of the company's environment who were employed in the company.. Therefore, majority of the respondents whose opinions were sought were employees of the companies.

Table 4.8: Seeks to assess the Employees' responses to the Level of Awareness in Cooperate Social Responsibilities (CSR)

S/N	ITEM STATEMENTS	Strongly Agree	Strongly Disagree	TOTAL
i.	Have you ever heard about corporate social responsibility?	225 86.9%	34 13.1%	<b>259 100%</b>
ii.	Is there any consumer goods manufacturing company in your neighborhood?	241 93.1%	18 6.9%	<b>259 100%</b>
iii.	Does doing good to the society means CSR?	131 50.7%	128 49.3%	<b>259 100%</b>
iv.	Is there any corporate social responsibility project being enjoyed in your locality?	200 77.2%	59 22.8%	<b>259 100%</b>
v.	Which of the following project works is undertaken by company in your locality?			
a.	Provision of Borehole Water	38 14.6%	-	-
b.	Road Beautification / Repairs	20 7.7%	-	-
c.	Youth Empowerment	118 45.6%	-	-
d.	Educational Aids	83 32.1%	-	-
e.	Healthcare Centre	0 0	-	-
	<b>TOTAL</b>	<b>259 100%</b>		-
vi.	Is there any good relationship between the company and her host community?	235 90.7%	24 9.3%	<b>259 100%</b>

Source: Field Survey, 2018

Table 4.8 Seeks to assess the Employees' responses to the Level of Awareness in Cooperate Social Responsibilities (CSR), item (i) of the table shows that 225 respondents representing 86.9% have known about CSR before while 34 respondents representing 13.1% were having information about CSR for the first time. The implication is that awareness about CSR is not evenly distributed. This amounts to why people especially at the grassroots see company's CSR projects as a favour rather than obligation on the part of the company which coincided with the work of Akande & Ismail (2012) that pointed out that companies carrying out CSR pretend to the society as if they do charity than their social obligations. On item (ii) in the table, 93.1% of the respondents admitted there are consumer goods manufacturing company in their neighborhood while 6.9% objected to the question. This indicated that there is presence of other consumer-goods manufacturing companies in their neighborhood aside the manufacturing companies under consideration.

50.7% of the respondents affirmed that doing good to the society means CSR on item (iii) in the table while 49.3% opined that CSR did not mean doing good to the society. It could be deduced from the analysis that majority of the respondents cannot distinguish between "doing good" and CSR due to lack of proper understanding of the concept and expectations from the company because the difference is so insignificant to justify the level of understanding couple with their implied reactions in the course of filling the questionnaire. This accounts for some of the reasons, the stakeholders particularly the employees and the host community adulates companies at a slight offer of CSR project in their domain.

On item (iv) in the table, about if there is any Corporate Social Responsibility Project being enjoyed by the host community or not, 77.2% attested to the question while 22.8% disagreed. The majority of the respondents opined that there are Corporate Social Responsibility Projects being enjoyed in their community as offered by available companies. The analysis shown that consumer-goods manufacturing companies offer CSR projects to the host community.

On the response to the kind of the CSR Projects offer to the host community, Provision of Borehole Water 14.6%, Road Beautification / Repairs, 7.7%, Youth Empowerment 45.6%, Educational Aids 32.1%, Healthcare Centre 0 (0%).It was deduced from this analysis that majority of the respondents opined that Youth Empowerment is mostly prioritized and offer to the host community. This is a win-win effort to both the company and host community rather than only to the host community.

And lastly, assessing opinions on if there is any good relationship between the company and her host Community, 90.7% emphatically confirmed good relationship while 9.3% of the respondent did not respond to the question. The analysis shows that majority of

the respondents strongly believe that there is a good relationship between the company and its host community. This accounts for the peaceful nature of the community and harmonious relationship between the company’s employees and the community members.

**This section seeks to gather opinions about Employees’ Assessment on Project Implementations and Educational Aids as CSR activities of the company.**

**Guide: SD= Strongly Disagreed (1), D= Disagreed (2), N= Neutral (3), A= Agreed (4) and SA= Strongly Agreed (5)**

**I : Project Implementation**

Table 4.9: The community project work does not assist the community in the areas of their wellbeing

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	124	47.9	47.9
Disagreed	90	34.7	82.6
Neutral	11	4.2	86.8
Agreed	25	9.7	96.5
Strongly Agreed	9	3.5	100
Total	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.9 shows respondents’ responses that 47.9% strongly disagreed that community project work does not assist the community in the areas of their wellbeing while 3.5% agreed. It can be concluded that the community project work moderately assists the community in the areas of their wellbeing.

Table 4.10: CSR services offered by the consumer goods manufacturing companies include road beautification/repairs, youth empowerments, provision of social amenities, boreholes and healthcare Centers in its area of existence.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	27	10.4	10.4
Disagreed	14	5.4	15.8
Neutral	22	8.5	24.3
Agreed	103	39.8	64.1
Strongly Agreed	93	35.9	100
Total	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.10 shows that 39.8% agreed that CSR services offer by the consumer goods manufacturing companies include road beautification/repairs, youth empowerments, provision of social amenities, boreholes and healthcare Centers in its area of existence while 5.4% disagreed. This means that consumer goods manufacturing companies include road beautification/repairs, youth empowerments, provision of social amenities, boreholes and healthcare Centers in its area of existence.

Table 4.11: Consumer goods manufacturing company impact on transportation conveniences of the community like constructing motor parks, and transport vehicles.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	25	9.7	9.7
Disagreed	36	13.9	23.6
Neutral	29	11.2	34.8
Agreed	98	37.8	72.6
Strongly Agreed	71	27.4	100
Total	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.11 reports on whether or not, Consumer goods manufacturing company impacts on transportation conveniences of the Community like constructing motor parks, and transport vehicles. 37.8% of the respondents agreed while 9.7% strongly disagreed. A significant majority of the respondents agree which implies that Consumer goods

manufacturing company impacts on transportation conveniences of the Community like constructing motor parks, and transport vehicles.

Table 4.12: consumer goods manufacturing company engage the members of the community in the implementation of the project embark upon by the company.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	81	31.3	31.3
Disagreed	55	21.2	52.5
Neutral	43	16.6	69.1
Agreed	48	18.5	87.6
Strongly Agreed	32	12.4	100
<b>Total</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.12 reports on if Consumer goods manufacturing company engage the members of the community in the implementation of the project embark upon by the company. 31.3% of the respondents strongly disagreed while 12.4% strongly agreed. A significant majority of the respondents strongly agree which could be concluded that Consumer goods manufacturing company engages the members of the community in the implementation of the project embark upon by the company.

Table 4.13: Consumer goods manufacturing company undertake CSR purposely to benefit, employee, community and other stakeholders.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	23	8.9	8.9
Disagreed	16	6.2	15.1
Neutral	22	8.5	23.6
Agreed	84	32.4	56.0
Strongly Agreed	114	44.0	100
<b>Total</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.13 reports with respect to if Consumer goods manufacturing company undertake CSR purposely to benefit, employee, community and other stakeholders. 6.2% of the respondents disagreed while 44.0% strongly agreed. Since a significant majority of the respondents have strongly agreed, the implication is that Consumer goods manufacturing company undertake CSR purposely to benefit, employee, community and other stakeholders.

### Educational Aids

Table 4.14: Consumer goods manufacturing company does not contribute to educational development of the area where the company is located

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	138	53.3	53.3
Disagreed	82	31.7	85.0
Neutral	6	2.3	87.3
Agreed	18	6.9	94.2
Strongly Agreed	15	5.8	100
Total	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.14 shows that 53.3% of the respondents strongly disagree that Consumer goods manufacturing company does not contribute to educational development of the area where the company is located while 5.8% strongly agreed. A significant majority of the respondents strongly disagreed which implies that Consumer goods manufacturing company contribute to educational development of the area where the company is located.

Table 4.15: CSR services offered by the consumer goods manufacturing companies include scholarship, construction of classrooms, free distribution of textbooks/stationery etc. in its area of existence

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	30	11.6	11.6
Disagreed	20	7.7	19.3
Neutral	38	14.7	34
Agreed	94	36.3	70.3
Strongly Agreed	77	29.7	100
Total	<b>259</b>	<b>100</b>	

Table 4.15 reports on whether or not, CSR services offered by the consumer goods manufacturing companies include scholarship, construction of classrooms, free distribution of textbooks/stationery etc. in its area of existence. 36.3% of the respondents agreed while 7.7% disagreed. The analysis shows that a significant majority of the respondents agreed which means that CSR services offered by the consumer goods manufacturing companies include scholarship, construction of classrooms, free distribution of textbooks/stationery etc.

Table 4.16: Consumer goods manufacturing company are not in the habit of sponsoring school extra-curricular activities such as school Quiz, debate and essay competition in its area of existence.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	95	36.7	36.7
Disagreed	110	42.5	79.2
Neutral	8	3.1	82.3
Agreed	27	10.4	92.7
Strongly Agreed	19	7.3	100
Total	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.16 shows that 42.5% of the respondent disagreed on if Consumer goods manufacturing company are not in the habit of sponsoring school extra-curricular activities such as school Quiz, debate and essay competition in its area of existence while 7.3% Strongly Agreed. It could be concluded that Consumer goods manufacturing company does not engage in the habit of sponsoring school extra-curricular activities such as school Quiz, debate and essay competition in its area of existence since a significant majority of the respondents have agreed.

Table 4.17: Consumer goods manufacturing company issues scholarship to indigent students in its area of existence.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	81	31.3	31.3
Disagreed	68	26.3	57.6
Neutral	47	18.1	75.7
Agreed	34	13.1	88.8
Strongly Agreed	29	11.2	100
Total	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.17 reports on if Consumer goods manufacturing company issues scholarship to indigent students in its area of existence. 31.3% of the respondents strongly disagree while 11.2% Strongly Agree. The analysis shows a significant majority of the respondents strongly disagreed. This implies that Consumer goods manufacturing company does not issues scholarship to indigent students in its area of existence.

Table 4.18: consumer goods manufacturing company undertakes CSR purposely to benefit, employee, community and other stakeholders.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	63	24.3	24.3
Disagreed	19	7.3	31.6
Neutral	17	6.6	38.2
Agreed	74	28.6	66.8
Strongly Agreed	86	33.2	100
Total	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.18 reports on if Consumer goods manufacturing company undertakes CSR purposely to benefit employee, community and other stakeholders. 7.3% of the respondents disagreed while 33.2% strongly agreed (86). The analysis shows that a significant majority of the respondents agreed which means that Consumer goods manufacturing company undertakes CSR purposely to benefit employee, community and other stakeholders.

**This section seeks to gather Employees’ opinions about Performance Determinants (Corporate Image and Customer’s Loyalty.**

**Guide: SD= Strongly Disagreed (1), D= Disagreed (2), N= Neutral (3), A= Agreed (4) and SA= Strongly Agreed (5)**

**PERFORMANCE DETERMINANTS**

**Corporate Image**

Table 4.19: Consumer goods manufacturing company practices CSR in other to remain competitive

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	25	9.7	9.7
Disagreed	28	10.8	20.5
Neutral	30	11.6	32.1
Agreed	107	41.3	73.4
Strongly Agreed	69	26.6	100
Total	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.19 attests to if Consumer goods manufacturing company does not practice CSR in other to remain competitive. 9.7% of the respondents strongly disagreed while 41.3% agreed. This analysis shows that majority of the respondents agreed that Consumer goods manufacturing company does not practise CSR in other to only remain competitive but has other reasons which include government directives among others.

Table 4.20: Consumer goods manufacturing company does not practice CSR in other to improve its reputation.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	118	45.6	45.6
Disagreed	84	32.4	78.0
Neutral	9	3.5	81.5
Agreed	29	11.2	92.7
Strongly Agreed	19	7.3	100
Total	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.20 reports on whether Consumer goods manufacturing company practices CSR in other to improve its reputation. 45.6% of the respondents strongly agreed while 7.3% strongly disagreed. Having got a significant majority of the respondents to agree to the question, this analysis concludes that Consumer goods manufacturing company practices CSR in other to improve its reputation.

Table 4.21: Consumer goods manufacturing company practices CSR in other to save its long term objectives.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	19	7.3	7.3
Disagreed	15	5.8	13.1
Neutral	38	14.8	27.9
Agreed	92	35.5	63.4
Strongly Agreed	95	36.6	100
Total	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.21 shows that 36.6% of the respondent strongly agreed that Consumer goods manufacturing company practices CSR in other to save its long term objectives while 5.8% disagreed. A significant majority of the respondents strongly agreed which implies that Consumer goods manufacturing company practices CSR in other to save its long term objectives which is one of the primary purpose of its existence.

Table 4.22: Consumer goods manufacturing company practices CSR because of concerns for society's future.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	65	25.1	25.1
Disagreed	81	31.3	56.4
Neutral	17	6.6	63
Agreed	42	16.2	79.2
Strongly Agreed	54	20.8	100
<b>Total</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.22 reports on if Consumer goods manufacturing company practices CSR because of concerns for society's future. 31.3% of the respondents disagreed while 6.2% agreed. A significant majority of the respondents disagreed. This means that the host community has not been convinced beyond reasonable doubt due to the reasons best known to them, those Consumer goods manufacturing company practices CSR because of concerns for society's future rather for their own reasons.

Table 4.23: Consumer goods manufacturing company practices CSR in other to strengthen global networks.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	35	13.5	13.5
Disagreed	39	15.1	28.6
Neutral	30	11.6	40.2
Agreed	84	32.4	72.6
Strongly Agreed	71	27.4	100
<b>Total</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.23 shows that 32.4% of the respondents agreed that Consumer goods manufacturing company practices CSR in other to strengthen global networks while 13.5% strongly disagreed. The analysis shows that a significant number of the respondents agreed which implies that Consumer goods manufacturing company practices CSR in other to strengthen global networks.

## Customer Loyalty

Table 4.24: Consumer goods manufacturing company does not have a good customer relation.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	109	42.1	42.1
Disagreed	95	36.7	78.8
Neutral	6	2.3	81.1
Agreed	27	10.4	91.5
Strongly Agreed	22	8.5	100
<b>Total</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.24 shows that 42.1% of the respondents strongly disagree that Consumer goods manufacturing company does not have a good customer relation while 8.5% strongly agreed. A significant majority of the respondents strongly agreed which means that Consumer goods manufacturing company has a good customer relation.

Table 4.25: Consumer goods manufacturing company has the habit of creating better goods and services to customers.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	34	13.1	13.1
Disagreed	49	18.9	32
Neutral	9	3.5	35.5
Agreed	99	38.2	73.7
Strongly Agreed	68	26.3	100
<b>Total</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.25 reports on if Consumer goods manufacturing company has the habit of creating better goods and services to customers. 13.1% Strongly Disagreed (34), 18.9% Disagreed (49), 3.5% Neutral (09), 38.2% Agreed (99) while 26.3% Strongly Agreed (68). A significant majority of the respondents agreed. This implied is that Consumer goods manufacturing company has the habit of creating better goods and services to customers and up to the task in all ramifications.

Table 4.26: Consumer goods manufacturing company has not been attentive to customers' complaint.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	61	23.6	23.6
Disagreed	85	32.8	56.4
Neutral	17	6.6	63.0
Agreed	54	20.8	83.8
Strongly Agreed	42	16.2	100
<b>Total</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.26 shows that 32.8% of the respondents disagreed that Consumer goods manufacturing company has not been attentive to customers' complaint while 16.2% strongly agreed. The analysis concludes that Consumer goods manufacturing company has been attentive to customers' complaint since a significant majority of the respondents disagreed.

Table 4.27: Consumer goods manufacturing company address customer's complain on time and satisfactory.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	32	12.4	12.4
Disagreed	43	16.6	29.0
Neutral	30	11.6	40.6
Agreed	85	32.8	73.4
Strongly Agreed	69	26.6	100
<b>Total</b>	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.27 shows that 32.8% of the respondents agreed that Consumer goods manufacturing company address customers complain on time and satisfactory while 12.4% strongly disagreed. A significant majority of the respondents agreed which implies that Consumer goods manufacturing company address customers complain on time and satisfactory.

Table 4.28: Consumer goods manufacturing company corporate social responsibility activities do not attract customers' patronage.

Parameter	Frequency	Percent	Cumulative Percent
Strongly Disagreed	92	35.5	35.5
Disagreed	109	42.1	77.6
Neutral	8	3.1	80.7
Agreed	23	8.9	89.6
Strongly Agreed	27	10.4	100
Total	<b>259</b>	<b>100</b>	

Source: Field Survey, 2018

Table 4.28 shows that 42.1% of the respondents disagreed that the Consumer goods manufacturing company corporate social responsibility activities do not attract customers' patronage while 8.9% agreed. The analysis shows a significant majority of the respondents disagreed that Consumer goods manufacturing company corporate social responsibility (CSR) activities attract customers' patronage.

## 4.2 Test of Hypotheses

Hypothesis testing on Regression analysis of response variables viz: Social Project (PI), Educational Aids (EA), Corporate Image (CI) and Customer Loyalty (CL) was carried out using SPSS (Statistical Package for Social Sciences).

### HYPOTHESIS I

H<sub>01</sub>: Social Project (CSR) does not have impact on corporate image of the selected consumer-goods manufacturing companies in Ibadan Metropolis.

Table 4.29: Model Summary:

Model	R	R Square	Adjusted R Square	Std Error of the Estimate	Sig. Change	F
1	.807 <sup>a</sup>	.652	.651	2.009	<.000	

Predictors: (Constant), Project Implementation

Dependent variable: corporate image

Source: Field Survey, 2018

From the above table, it can be deduced that R square is 0.651 which indicates a high and positive correlation between the dependent variable (corporate image) and independent variable (Project Implementation). It also specifies the degree at which the independent variable can explain the variance in the dependent variable. Therefore, the implication of this

is that about 65.1% of the variation is explained by the variables in the model while the remaining 34.9% is explained by other factors which are not included in the model. The regression equation (model formulated) appears to be very useful for making predictions since the value of  $R^2$  is close to 1.

**TABLE 4.30: ANOVA<sup>a</sup>**

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	1943.304	1	1943.304	481.554	< .000 <sup>a</sup>
Residual	1037.121	258	4.035		
Total	2980.425	259			

Predictors: (Constant), Project Implementation

Dependent variable: corporate image

Source: Field Survey, 2018

From the ANOVA table, the estimated F-value of 481.554 with significance level of 0.000, which is less than p-value of 0.05 ( $p < 0.05$ ); this indicates that explanatory variable can influence change in the dependent variable (corporate image). Also, the table shows the summary of the results of analysis of variation in dependent variable with regression sum of square of 1943.304 in comparison with the residual value of 1037.121 which indicate that does not fail to explain the variation in the dependent variable.

**Table 4.31: Coefficients**

Model	Unstandardized Coefficients		t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error			Lower Bound	Upper Bound
1 (Constant)	.844	.131	6.446	.000	.586	1.103
a. Project implementation.	.654	.030	21.944	.000	.595	.713

a. Dependent Variable: Corporate Image

Source: Field Survey, 2018

Table 4.31 provides information on the effects (the “Estimated Coefficients” or “beta”) of the independent variable on the dependent variable.

The coefficient of the predictor is 0.654 compared with p-value of 0.0001 less than 0.05% (critical value), This implies that the variable has contributed to the model. Hence, it can be concluded that Project Implementation (CSR) has significant impact on corporate image of the selected consumer-goods manufacturing companies in Nigeria.

**HYPOTHESIS II**

H0<sub>2</sub>: Educational Aids (CSR) has no significant impact on corporate image of the selected consumer-goods manufacturing companies in Ibadan Metropolis

**TABLE 4.32: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig. F Change
1	.521 <sup>a</sup>	.271	.268	1.943	.000

a. Predictors: (Constant), Educational Aids.

b. Dependent variable: Corporate Image

Source: Field Survey, 2018

From the above table, it can be seen that R square is 0.271; which indicates a positive correlation between the dependent variable (corporate image) and independent variable (Educational Aids). It also explains specifies the degree at which the independent variable can explain the variance in the dependent variable. The implication of this is that about 27.1% of the variation is explained by the variable in the model while the remaining 72.9% is explained by other factors which are not included in the model. The regression equation (model formulated) appears to be very useful for making predictions since the value of  $R^2$  is close to 1.

**Table 4.33: ANOVA**

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	360.977	1	360.977	95.614	<.000
Residual	970.266	258	3.775		
Total	1331.243	259			

a. Predictors: (Constant): Educational Aids

b. Dependent Variable: Corporate Image

Source: Field Survey, 2018

From ANOVA table, the estimated F-value of 95.614 with significance level of 0.000, which is less than p-value of 0.05 ( $p < 0.05$ ); this indicates that explanatory variable can influence change in the dependent variable (corporate image). Also, the table shows the summary of the results of analysis of variation in dependent variable with regression sum of square of 360.977 in comparison with the residual value of 970.266 which indicate that does not fail to explain the variation in the dependent variable.

**Table 4.34: Coefficients**

Model		Unstandardized Coefficients		t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error			Lower Bound	Upper Bound
1	(Constant)	-.431	.127	-3.398	.001	-.680	-.181
	b. Educational Aids.	.282	.029	9.778	.000	.225	.339

b. Dependent Variable: Corporate Image

Source: Field Survey, 2018

The table 4.34 provides information on the effects (the “Estimated Coefficients” or “beta”) of the independent variable on the dependent variable. The coefficient of the independent variable is .282 with p-value of 0.0001 less than 0.05% (critical value), This implies that the variable has contributed to the model. Hence, it can be concluded that Educational Aids (CSR) has significant impact on corporate image of the selected consumer-goods manufacturing companies in Ibadan Metropolis.

### Test of Hypothesis III

H<sub>03</sub>: There is no any significant impact between project implementation (CSR) and customer loyalty of the selected consumer-goods manufacturing companies in Ibadan Metropolis.

**Table 4.35: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig. F Change
1	.776 <sup>a</sup>	.602	.600	2.150	.000

a. Predictors: (Constant), project implementation

b. Dependent variable: Customer Loyalty

Source: Field Survey, 2018

From the above table, it can be seen that R square is 0.602; the implication of this is that about 60.20% of the variation is explained by the variables in the model while the remaining 39.80% is explained by other factors which are not included in the model. The regression equation (model formulated) appears to be very useful for making predictions since the value of  $R^2$  is close to 1.

**TABLE 4.36: ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1792.839	1	1792.839	387.980	< .001 <sup>a</sup>
	Residual	1187.585	258	4.621		
	Total	2980.425	259			

a. Predictors: (Constant), project implementation

b. dependent variable: customer loyalty

Source: Field Survey, 2018

From the ANOVA table, the estimated F-value of 387.980 with significance value of 0.000, which is less than p-value of 0.05 ( $p < 0.05$ ); this indicates that the explanatory variable influence change in the dependent variable (customer loyalty). Also, the table shows the summary of the results of the analysis of variation in the dependent variable of regression sum of squares of 1792.839 in comparison with residual value of 1187.585; this indicates that the model does not fail to explain the variation in the dependent variables.

**Table 4.37** Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error			Lower Bound	Upper Bound
1	(Constant)	1.925	.134	14.366	.000	1.661	2.189
	c. Project implementation.	.608	.031	19.697	.000	.547	.669

Dependent Variable: Customer Loyalty

Source: Field Survey, 2018

The table 4.37 provides information on the effects (the “Estimated Coefficients” or “beta”) of the independent variable on the dependent variable.

The coefficient of the predictor is .608 with p-value of 0.0001 less than 0.05% (critical value), This implies that the variable has contributed to the model. Hence, it can be concluded that project implementation (CSR) has significant impact on customer loyalty of the selected consumer-goods manufacturing companies in Ibadan Metropolis.

#### **Hypothesis IV**

H<sub>04</sub>: Educational Aids (CSR) has no significant impact on customer loyalty of the selected consumer-goods manufacturing companies in Ibadan Metropolis

**Table 4.38: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig. F Change
1	.471 <sup>a</sup>	.222	.219	2.008	.000

Predictors: (Constant), Educational Aids

Dependent variable: Customer Loyalty

Source: Field Survey, 2018

From the above table, it can be seen that R square is 0.222; the implication of this is that about 22.2% of the variation is explained by the variables in the model while the remaining 77.8% is explained by other factors which are not included in the model. The regression equation (model formulated) appears to be very useful for making predictions since the value of  $R^2$  is close to 1.

**Table 4.39: ANOVA<sup>a</sup>**

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	295.167	1	295.167	73.216	< .0001 <sup>a</sup>
Residual	1036.077	258	4.031		
Total	1331.243	259			

a. Predictors: (Constant), Educational Aids

b. dependent variable: customer loyalty

Source: Field Survey, 2018

From the ANOVA table, the estimated F-value of 73.216 with significance value of 0.000, which is less than p-value of 0.05 ( $p < 0.05$ ); this indicates that the explanatory variable influence change in the dependent variable (customer loyalty). Also, the table shows the summary of the results of the analysis of variation in the dependent variable of regression sum of squares of 1036.077 in comparison with residual value of 1036.077; this indicates that the model does not fail to explain the variation in the dependent variables.

**Table 4.40 Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error			Lower Bound	Upper Bound
1	(Constant)	.030	.125	.238	.812	-.217	.276
	a. Educational Aids.	.247	.029	8.557	.000	.190	.304

Dependent Variable: Customer Loyalty

Source: Field Survey, 2018

**Table 4.40** provides information on the effects (the “Estimated Coefficients” or “beta”) of the independent variable on the dependent variable.

The coefficient of the predictor is .247 with p-value of 0.0001 less than 0.05% (critical value), This implies that the variable has contributed to the model. Hence, it can be concluded that Educational Aids (CSR) have significant impact on customer loyalty of the selected consumer-goods manufacturing companies in Nigeria.

### 4.3 Discussion of Results

The findings of the study are enumerated below:

- The community project work assists the community in the areas of their wellbeing. This support the finding of Akande.and Ismail(2012).
- Consumer goods manufacturing company contribute to educational development of the area where the company is located. This refute the claim Amaeshi,2014) who claimed that companies do not contribute to the educational development of the country due to the situation in Warri.
- CSR services offered by the consumer goods manufacturing companies include scholarship, construction of classrooms, free distribution of textbooks/stationery etc.
- Consumer goods manufacturing company does not engage in the habit of sponsoring school extra-curricular activities such as school Quiz, debate and essay competition in its area of existence since a significant majority of the respondents have agreed. This disclaim the findings of Amaeshi,(2014).
- Consumer goods manufacturing company does not practise CSR in other to only remain competitive but has other reasons which include government directives among others.
- Consumer goods manufacturing company practices CSR in other to improve its reputation.
- Consumer goods manufacturing company practices CSR in other to save its long term objectives which are one of the primary purposes of its existence.
- Consumer goods manufacturing company address customers complain on time and satisfactory.
- There is positive correlation between Project Implementation(CSR) and corporate image of the selected consumer-goods manufacturing companies in Nigeria. This is in line with the finding of Adeyanju, (2012), Anyafulu (2010) and Masud, *et al* (2012).
- Consumer goods manufacturing company corporate social responsibility (CSR) activities attract customers' patronage.
- Educational Aids (CSR) has a significant impact on corporate image of the selected consumer-goods manufacturing companies in Nigeria.
- Project implementation (CSR) has a significant impact on customer loyalty of the selected consumer-goods manufacturing companies in Nigeria. This supports the findings of Barney, *et al* (2012).
- There is a positive correlation between Educational Aids on customer loyalty of the selected consumer-goods manufacturing companies in Nigeria. This correlates with the research findings of Baruch, (2015).
- CSR such as Educational Aids and Project implementation has significant impacts on corporate image and customer's loyalty.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Introduction**

This study has been able to assess Corporate Social Responsibility on Performances of Selected Consumer Goods Manufacturing Companies in Ibadan Metropolis. A company has to give back to the society in which it operates, clean up all forms of pollution it has caused in its course of operation and also provide infrastructural facilities to the society as a way of giving back and developing the society. CSR initiatives in Nigeria have been mostly discretionary and philanthropic, characterised by donations, charities and community developments. Their CSR initiatives involve mostly sponsorship in sports, beautification of roads, giving donations and project implementations. Some of these projects include the provision of borehole water, youth empowerment, schools and healthcare centres for the communities. Peradventure, this (CSR) results in increase in customers' loyalty, corporate image which eventually boost sales and fosters productivity which enhances organisational performances.

#### **5.2 Summary of Findings**

Based on the objectives of the study and hypotheses formulated using Linear regression analysis with the aids of SPSS, the following findings were deduced.

The result of the Regression Analysis for objective one shows that there is positive impact between Social Project Implementation (CSR) and corporate image of the selected consumer-goods manufacturing companies in Ibadan Metropolis which supported the alternate hypothesis that states: "Social Project have impact on corporate image of the selected consumer goods manufacturing companies in Ibadan Metropolis.

The result of the Regression Analysis for objective two shows that there is positive impact between Educational Aids (CSR) and corporate image of the selected consumer-goods manufacturing companies in Ibadan Metropolis which supported the alternate hypothesis that states: "Educational Aids have impact on corporate image of the selected consumer goods manufacturing companies in Ibadan Metropolis.

The result of the Regression Analysis for objective three shows that there is positive impact between Social Project Implementation (CSR) and customer loyalty of the selected consumer-goods manufacturing companies in Ibadan Metropolis which supported the

alternate hypothesis that states: “there is significant impact between Social Project and customer loyalty of the selected consumer goods manufacturing companies in Ibadan Metropolis.

The result of the Regression Analysis for objective four shows that there is positive impact between Educational Aids (CSR) and customer loyalty of the selected consumer-goods manufacturing companies in Ibadan Metropolis which supported the alternate hypothesis that states: “Educational Aids have impact on customer loyalty of the selected consumer goods manufacturing companies in Ibadan Metropolis.

### **5.3 Conclusion**

Corporate Social Responsibility has been a concept accepted by the world but its implementation in Nigeria has been on slow pace as there is no specific laws and policies that guide its implementation. This makes the society to feel less impact of the activities by various companies that undertake CSR projects.

The study shows that Social Project Implementation and Educational Aids have positive impact on corporate image and customer loyalty. This was indicated through the response of the respondents of the Nigerian Breweries Plc and Seven-Up Bottling Company Plc in Ibadan Metropolis.

### **5.4 Recommendations:**

From the conclusion that corporate social responsibility has an impact on organisational performance in the manufacturing sector, where the study observed direct and indirect influence of CSR on organization performance, the study recommends;

#### **Industry**

- i. Manufacturing firms need to shift their financial might from direct marketing to invest in highly beneficial CSR as there is no doubt in its huge positive returns which include increase in organisational performances.
- ii. Management of companies in Nigeria should be proactive in their approach to social responsibility issues rather than being reactive in order to avoid business distraction from their host communities.
- iii. The management should create a unit or department within their firms that will be responsible for their social responsibility programmes which should ensure that their social responsibility policies are adequately implemented.

### **Regulators/Government**

- i. Government should endeavour to initiate CSR Policy which will guide the implementation of CSR in Nigeria while National Assembly also need to initiate CSR bill.
- ii. Government at all level should establish agency that will monitor the social responsibility of corporate organizations, in order to oversee the compliance of CSR policies and prosecute organizations that are socially irresponsible.
- iii. Government should stop politicking the CSR implementation
- iv. Motivation by means of National award should be given to any company that emerges as the best in the CSR implementation.

### **For Institution:**

- Serve as a means of educating industry on the importance of Corporate Social Responsibility.

### **5.5 Areas for Further Research**

This study only dwells on impact of CSR on the organisational performances using non-financial parameters. Research study in this area is so little compare to many works on CSR using financial variables. This study therefore suggests that further studies should also be done in other sectors and non-financial variables should be adopted. Similar studies should also be done in other regions of the world to globalize these findings.

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## APPENDICES

### Appendix A

Department of Business and Entrepreneurship,  
School of Business and Governance,  
College of Humanities, Management and Social  
Sciences,  
School of Postgraduate Studies,  
Kwara State University, Malete, Kwara state.

Dear Respondent,

### LETTER OF INTRODUCTION

The bearer, Mr. Monsur Jimoh with matriculation number: 16/27/MBA009 is a Masters student of the Department of Business and Entrepreneurship, College of Humanities, Management and Social Sciences; School of Postgraduate Studies, Kwara State University, Malete, Nigeria.

He is currently conducting a research study titled “**Assessment of Corporate Social Responsibility on Performance of selected Consumer Goods Manufacturing Companies in Ibadan Metropolis**”. This study is aimed at assessing the impact of Corporate Social Responsibility on performance of Consumer Goods Manufacturing Companies.

In this circumstance, we request your support in helping him to fill this questionnaire attached therein in order to make him carryout this research work objectively. Please note that the information supplied shall be treated with utmost confidence and use purely for academic purposes only. Thanks for your cooperation.

Yours faithfully,

Mustapha, Rahman (PhD)  
Supervisor

**APPENDIX B**  
**QUESTIONNAIRE**  
**QUESTIONNAIRE ON ASSESSMENT OF CSR ON PERFORMANCE OF**  
**SELECTED CONSUMER GOODS MANUFACTURING COMPANIES IN IBADAN**  
**METROPOLIS.**

**SECTION A: DEMOGRAPHIC DATA**

1. **Age:** (a) 15 - 20 ( ) (b) 21 – 30 ( ) (c) 31 – 40 ( )  
(d) 41- 50 ( ) (e) 51 and above ( )
2. **Sex/ gender:** (a) Male ( ) (b) Female ( )
3. **Marital status:** (a) Single ( ) (b) Married ( )
4. (c) Widowed ( ) (d) Divorced ( ) (e) Separated ( )
5. **Educational Qualification:** (a) No formal education ( )  
(b) Primary education ( )  
(c) Secondary education ( )  
(d) ND/NCE/A'LEVEL ( )  
(e) HND/BA/B.Sc ( )  
(f) MA/M.Sc ( )  
(g) Others ( )
5. **LEVEL/Position in the Firm:** (a) Junior staff ( ) (b) senior staff ( )  
(c) Contract staff ( ) (d) Non ( )
6. What is your relationship with the consumer goods manufacturing company?  
Employee  Community member  Company Management

**SECTION B**

*Please, mark X or supply information where appropriate to indicate your opinion about the subject matter with the statement below:*

7. Have you ever heard about corporate social responsibility (a) Yes ( ) (b) No ( )
8. Is there any consumer goods manufacturing company in your neighborhood?  
(a) Yes ( ) (b) No ( )
9. Does doing good to the society means CSR? (a) Yes ( ) (b) No ( )
10. Is there any corporate social responsibility enjoyed in your locality?  
(a) Yes ( ) (b) No ( )
11. Which of the following project works is undertaken by company in your locality?  
Specify by underline it / them .....
- i. provision of borehole water, ( )
- ii. road beautification / repairs ( )
- iii. youth empowerment ( )
- iv. Educational Aids ( )
- v. healthcare centre ( )

vi. **I-iii.** ( )

12. Is there any good relationship between the company and her host community?  
 (a) Yes ( ) (b) No ( )

**SECTION C:  
 SEEKS TO GET INFORMATION ABOUT EMPLOYEE ASSESSMENT ON CSR  
 (WELFARE PACKAGE)**

**Please mark X under response code that correctly approximates your view. Respond from the perspective of the business enterprise. Every option you mark is correct and will serve the purpose of this research.**

**Guide: SD= Strongly Disagreed (5), D= Disagreed (4), N= Neutral (3), A= Agreed (2) and SA= Strongly Agreed (1)**

<b>CORPORATE SOCIAL RESPONSIBILITY</b>		<b>RESPONSE CODE</b>				
<b>S/N</b>	<b>Statements/Descriptions</b>	<b>SD</b> Freq. %	<b>D</b> Freq. %	<b>N</b> Freq. %	<b>A</b> Freq. %	<b>SA (4)</b> Freq. %
<b>I. Project Implementation</b>						
<b>1.</b>	The community project work will assist the community in the areas of their wellbeing					
<b>2.</b>	CSR services offered by the consumer goods manufacturing companies include road beautification/repairs, youth empowerments, provision of social amenities, boreholes and healthcare centres in its area of existence					
<b>3.</b>	consumer goods manufacturing company impact on transportation conveniences of the community like constructing motor parks, and transport vehicles					
<b>4.</b>	consumer goods manufacturing company engage the members of the community in the					

	implementation of the project embark upon by the company					
5.	consumer goods manufacturing company undertake CSR purposely to benefit, employee, community and other stakeholders					
<b>II. Educational Aids</b>						
6.	consumer goods manufacturing company contribute to educational development of the area where the company is located					
7.	CSR services offered by the consumer goods manufacturing companies include scholarship, construction of classrooms, free distribution of textbooks/stationery etc. in its area of existence					
8.	consumer goods manufacturing company engage in the habit of sponsoring school extra-curricula activities such as school Quiz, debate and essay competition in its area of existence					
9.	consumer goods manufacturing company issues scholarship to indigent students in its area of existence					
10.	consumer goods manufacturing company undertakes CSR purposely to benefit, employee, community and other stakeholders					
<b>PERFORMANCE DETERMINANTS</b>						
<b>I. Corporate Image</b>						
1.	Consumer goods manufacturing company practices CSR in other to remain competitive					
2.	Consumer goods manufacturing company practices CSR in other to					

	improve its reputation					
3.	Consumer goods manufacturing company practices CSR in other to save its long term objectives					
4.	Consumer goods manufacturing company practices CSR because of concerns for society's future					
5.	Consumer goods manufacturing company practices CSR in other to strengthen global networks					
<b>II. Customer's Loyalty</b>						
	Consumer goods manufacturing company has a good customer relation					
	Consumer goods manufacturing company has the habit of creating better goods and services to customers					
	Consumer goods manufacturing company has been attentive to customers' complaint					
	Consumer goods manufacturing company address customer's complain on time and satisfactory					
	Consumer goods manufacturing company corporate social responsibility activities attract customers' patronage					

## Appendix C

### Required Sample Size<sup>†</sup>

Population Size	Confidence = 95%				Confidence = 99%			
	Margin of Error				Margin of Error			
	5.0%	3.5%	2.5%	1.0%	5.0%	3.5%	2.5%	1.0%
10	10	10	10	10	10	10	10	10
20	19	20	20	20	19	20	20	20
30	28	29	29	30	29	29	30	30
50	44	47	48	50	47	48	49	50
75	63	69	72	74	67	71	73	75
100	80	89	94	99	87	93	96	99
150	108	126	137	148	122	135	142	149
200	132	160	177	196	154	174	186	198
250	152	190	215	244	182	211	229	246
300	169	217	251	291	207	246	270	295
400	196	265	318	384	250	309	348	391
500	217	306	377	475	285	365	421	485
600	234	340	432	565	315	416	490	579
700	248	370	481	653	341	462	554	672
800	260	396	526	739	363	503	615	763
1,000	278	440	606	906	399	575	727	943
1,200	291	474	674	1067	427	636	827	1119
1,500	306	515	759	1297	460	712	959	1376
2,000	322	563	869	1655	498	808	1141	1785
2,500	333	597	952	1984	524	879	1288	2173
3,500	346	641	1068	2565	558	977	1510	2890
5,000	357	678	1176	3288	586	1066	1734	3842
7,500	365	710	1275	4211	610	1147	1960	5165
10,000	370	727	1332	4899	622	1193	2098	6239
25,000	378	760	1448	6939	646	1285	2399	9972
50,000	381	772	1491	8056	655	1318	2520	12455
75,000	382	776	1506	8514	658	1330	2563	13583
100,000	383	778	1513	8762	659	1336	2585	14227
250,000	384	782	1527	9248	662	1347	2626	15555
500,000	384	783	1532	9423	663	1350	2640	16055
1,000,000	384	783	1534	9512	663	1352	2647	16317
2,500,000	384	784	1536	9567	663	1353	2651	16478
10,000,000	384	784	1536	9594	663	1354	2653	16560
100,000,000	384	784	1537	9603	663	1354	2654	16584
300,000,000	384	784	1537	9603	663	1354	2654	16586

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