

An overview of practices of business social responsibility (bsr) in nigeria: a conceptual review

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ABSTRACT: The main objective of this paper is to explore the nature of social responsibility practices in Nigeria. The paper provides a contribution to the literature by reviewing previous business social responsibility (BSR) practices around the world. The research is conceptual in nature. Finally the studies discover that bureaucratic and institutional affect the implementation of many BSR initiatives in Nigeria.

Keywords: Business social responsibility, Practices, and Nigeria.

1. INTRODUCTION

Over the decades there has been a remarkable and constant increase in business and economic enterprises which gave origin to many industries that manufacture goods and services needed by the ever increasing world (Carroll & Shabana, 2010). The procedure of these companies, mostly those using chemicals and other material or those whose productions create harm to the location and as a consequence distress the general public harmfully (Okpara,2010).

As a result of these some organizations keep in set aside some amount of funds for the managed of these damages meted on the surroundings (Ambec, 2008; Bronn, 2009). The fund is doomed for such things as the action of the waste chemical water before it's free from the industries, using ozone gracious machineries. Similarly, some business and industries keep in some other actions that could really reimburse the harm done to the surroundings as a consequence of their action such as the imbursement of scholarships of the indigenes of the affected areas, erecting developmental structures, contributions (David, 2012). The business obligatory to fulfill their environmental task in order to sustain friendliness among their environs and to grant a ground for fit competitive benefit over others that are not engage in such activities (Amaeshi, Adi, Ogbechie, & Amao, 2006; Were, 2003).

However, Even those business organizations whose manufacture create no damage or dreadful conditions of environment such as banks and other service industry also engaged in these actions so as to solicit for consumers' support, request for government support, risk management, preservation of brilliant workers, decrease of cost ensuing operational effectiveness (Brine, Brown & Hackell, 2008). In a nutshell these activity as explain above are termed as corporate social responsibility,

Corporate social responsibility is defined, by Parliamentary joint committee on corporations and financial services (2006), as the company considering, managing and balancing the economic, social and environmental impacts of its activities. A relationship exists between corporate social responsibility and financial performance. Brine, Brown and Hackell (2008), state that free-thinking shareholders' advance propose that, corporate decision-makers must regard a variety of social and environmental issues if they are to make the most of long term financial returns. Long term financial returns could be articulated as the friendliness a business will make or positive reception of its value i.e. worth of firm (Brine et al., 2008). Therefore, there is direct relationship between financial performance and value of firm, financial performance is short term while value of firm is financial performance in long-run.

In the modern standard of business/organizational management, any corporate activity is worth an infallible measurement so as to ascertain its contribution to the promotion or demotion of an entity's value and future prospects (Amaeshi et al., 2006). Corporate social responsibility becomes a subject of interest to both researchers and operating corporations who move to maintain relevance and sustenance by critically supporting social programmes in the society they operate (Amaeshi et al., 2006).

Similarly, it is only of current times that public and private business businesses begin to pay closer concentration to the corporate social responsibility. And this tendency or progress is owed largely to the influx of foreign firms who have been very much in tune with CSR long before now (Amaeshi et al., 2006). The aim of this paper is to conceptualize the social responsibility in Nigeria. The recourses that help in achieving this are theoretical knowledge from the areas of corporate social responsibility. The research method used is theoretical research; at the end the paper will enhance the knowledge of the given area.

2. LITERATURE REVIEW

The term corporate social responsibility is still in accepted use even conversely contending, matching and overlapping ideas such as corporate citizens, business ethics, business social responsibility, stakeholder management and sustainability are all vying to become the most usual and extensive descriptor of the field (Carroll & Shabana, 2010; Matter & Moon, 2008).

2.1 Concept of Business Social Responsibility

Business Social Responsibility issues differ in nature and significance from business to industry and from place to place and different emphasis are ready in diverse parts of the world (Dewan, 2009, David, 2012). However, in a broad sense, BSR is about the association of business with the general public as a whole, and the need for business to support their values with societal expectations (Gorodutse & Hilman, 2012). BSR can be defined by its focus on the environmental and social impact of an organisation's conduct and as taking responsibility in the same vein, Libena (2011) selected definitions of business social responsibility and also alternative opinion on the business social responsibility concept. Bowen, H. R. (1953), Davis, K. & Blomstrom, R.L. (1960), McGuire, J. W. (1963), Jones, T. M. (1980), Wartick, S. L. & Cochran, P. L. (1985), are on the view Businessmen have an obligation to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society.

Davis, K. (1960), Backman, J. (1975), view The social responsibility refers to businessmen's decisions and activities taken for reasons at least to some extent beyond the firm's direct economic or technical interest. Johnson, H. L. (1971) Frederick, W. C. (1960), Sethi, S. P. (1975), Hay, R. D., Gray, E. R. & Gates, J. E. (1976), Carroll, A. B. (1979), sees A social responsible firm is one whose managerial staff balances a diversity of interests. Instead of determined only for larger profits for its stockholders, a responsible enterprise also takes into account employees, suppliers, dealers, local communities, and the nation at large. Eilbert, H. & Parket, I. R. (1973), Manne, H. G. & Wallich, H. C. (1972) Steiner, G. A. (1975), The business social responsibility concept involves two phases. On one hand, it means not doing things that destroy the environs. On the other, it may be articulated as the charitable postulation of the commitment to help solve environs problems.

There are several perspectives to CSR, some look at the firm size and CSR, another look at CSR and industry. A third considers CSR practise and their similarities and differences among countries. Dennis et al. 2012. Bronn and Vidave- Choen (2009) examine why Norwegian companies engaged in CSR activities. Ethical considerations, internal values and external pressures can all influence CSR. Analysis of the survey responses indicated improving image, being recognized for moral leadership and serving long-term company interests were statistically the top reasons why companies engaged in CSR. The study found significant industry differences. There is a perception that environmental initiatives are costly and erode companies' competitiveness.

Ambec and Lanoie (2008) consider seven different mechanisms that could lead to lower costs by using better environmental practices. This included better access to certain markets, differentiating products, selling pollution control technology, risk management and relations with external stakeholders, cost of material, energy and services, cost of capital and the cost of labor. They provide insight into the circumstances and the kinds of firms that might result in -win-win situations.

Adam et al.(2010) also review corporate social responsibility and focusing pre-dominantly on organisational and managerial level of analysis. In terms of the theoretical orientation of this field, researchers have shifted from explicitly normative and ethics-oriented arguments to implicitly normative and performance-oriented managerial studies.

Vintilia and Moscalu (2009) give a review of the literature comparing CSR and larger firms. Their goal is to examine whether or not there is a link between firm size of EU firms and CSR initiatives. Their study does not conduct a separate empirical analysis but a review of the prior research which indicates SMEs and large firms likely have different motivations for investment in CSR. Comparisons between SMEs and large corporations are also considered by Russo and Perrini (2010). The authors suggest that SMEs and large corporations may need two different constructs to examine their respective CSR activities. Large firms are more likely to take a stakeholder approach while SMEs follow the principles of social capital.

Dennis et al. (2012) provide a review on the practice of corporate social responsibility of firms in Canada, Hungary, Italy, Lebanon, Taiwan and the United States. Their contribution to literature was the inclusion of health and safety issues, and the key outcome in the study was the stakeholder satisfaction.

An overview by Carroll and Shabana (2010) examines the business case for CSR. It looks at the reasons why companies might adopt CSR. The business case for CSR is often interpreted as the relationship between CSR and financial performance. They review the relevant literature and find that there is growing support for the idea that CSR has a positive economic impact of firms but it not always favourable. Firms need to identify their stakeholders and implement CSR initiatives that support them. The authors suggest there may be both direct and indirect benefits from CSR that make a ‘business case’ for companies to adopt the concepts. Companies may find direct benefits in the form of enhanced financial performance or indirect benefits for CSR opportunities. Nidzara et al.(2011). In an overview of the literature they examine business social and ecological dimension of entrepreneur activities of small, medium and large enterprise. They provide insight and need to approach CSR from strategic perspective.

Maon, Lindgree and Swaen (2009) have a model that included primary stakeholders; buyers, suppliers, employers, social and mainstream investors and secondary stakeholders. Change then occurs at the corporate, organizational and managerial levels. This more complex model is designed to help companies better identify stakeholders and include feedback. Further work by the authors (2010) results in a model which considers both cultural and organizational issues companies need to include or resolve to implement CSR.

A recent survey article (Ergri and Ralston, 2008) provides additional insight into the contribution of the current study to literature. The authors conduct a comprehensive review of CSR studies for the period 1998 through 2008 in 13 international management and business journals. The study found three issues addressed by the results in this research. Studies typically focus on one or a few countries. Sixty-three percent of empirical studies based on survey data focused on one country, sixteen percent were two country studies, eleven percent looked at 3-5 countries with the remainder examining anywhere from 6-21 countries with the average 2.46 countries per study.

An example of a single-country focus (Katsioloudes and Brodtkort, 2007) looks at CSR in the United Arab Emirates via survey data to determine awareness of CSR. The Environment, community issues and consumer protection were considered in various Categories of companies. Companies had a sense of CSR issues with the authors concluding a strong but indirect awareness.

There are several researches conducted on the concept, business social responsibility (BSR) particularly in Nigeria. Numerous researches have been conducted in the past which addressed various issues in corporate social responsibility. The work of Ameashi et al., (2006), examined the existence of BSR among Nigerian companies. Similarly, the work of Helg (2007) was focused on providing an explanation on the improved version of CSR which was named Nigerian version of BSR. In another approach, Pedersen and Huniche (2006) revisited Carrols BSR pyramid of economic, legal, ethical and philanthropic responsibilities. Within the Nigerian perspective, the work of Hassan (2007) examined the relationship between BSR and the financial performance of firms in the Nigerian food and beverages industry, while the work of Ibrahim, (2009) Look at the impact of BSR on the value of firms in the Nigeria banking industry, Okpara (2010) investigate BSR on some multinational companies, David, (2012) examine the conduct of social

responsibility in telecommunication and banking. Despite the above studies the findings of these researches are varied. And mostly the concentrated on Multinational companies. The table 1. Bellow highlights an overview of business social responsibility form 1960-2010.

Table 1. AN OVERVIEW OF BUSINESS SOCIAL RESPONSIBILITY

Years	AUTHORS	FOCUS
1960	Frederick, 1960 Davis, 1960 McGuire, 1963	On what actually refer to Business social responsibility and its significance to business and society which expand beyond their economic and legal obligations.
1970	Ackerman, 1973 Hay & Gray, 1974 Murray. 1976 Murphy, 1978 Carroll, 1979 Preston, 1975	Emphasizes on business assuming socially responsible territory and the outcomes of socially responsible initiatives began.
1980	Wartick & Cochran, 1985 Carroll, 1989 Freeman, 1984	As the beginning of the corporate/business ethics stages and became the era of fostering ethical culture. And stakeholder approach.
1990	Wood, 1991 Carroll. 1999 Clarkson, 1995 Jones, 1995	The era of corporate citizenship. Business social responsibility began to come of age especially for academic research.
2010	Moon, 2005 Frederick, 2008 Lee, 2008 Carroll, 2009	Business community became captivated with view of sustainability or sustainable development. The era also connects BSR with corporate financial performances and which became the period of integral part of BSR discussion.

Sources: Carroll & Shabana, 2010; Lee, 2008 with modifications.

3. CONCLUSION AND LIMITATIONS

The social responsibility of business has expanded beyond the parameter of delivering to society quality products and services in a way that does not do damage to any parties. It appears that Nigeria companies are engaged in one CSR activity or the other. The study revealed that there is more emphasis on community involvement, less on socially responsible employee relation and almost none with regard. This result is consistence with Abiodun (2012) which reveals that most of the profitable businesses in Nigeria do not provide much in social responsibilities and this has tendency to make threats their long run survival.

Nigeria has undergone series of positive trends with a number of national initiatives regarding corporate governance and environmental initiatives. Clearly many businesses have adopted rather skeletal approach, linking their spending on social issues in responses to demand as the way to go in appreciating people's needs. Such BSR activities depend on who comes to the door first and/or shouts the loudest. This obviously indicates a strategy not driven by any policy. At the same time, it still seems to be bureaucratic and institutional hindrances for the effective implementation of many of these initiatives. The study is an ongoing project;

framework is being working to developed and measure the business social responsibility within the selected sector in Nigeria. The limitations related with this study are acknowledged.

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