

DETERMINANTS OF CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE IN NIGERIA

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Abstract

The study examined determinants of corporate social responsibility disclosure of quoted agricultural companies in Nigeria. The study adopted the ex-post facto research design and used longitudinal data collected from the financial reports of the companies for the various years. FSIZ, FPRO and FGRW were used as explanatory variables while CSRD was used as response variable. Data collected were analysed using regression analysis. However, some preliminary analysis like descriptive statistics, correlation, and variance inflator analysis were carried out to ascertain the normality and check for the presence of multicollinearity. The findings show that the variables selected for the study positively influence CSRD among agricultural companies in Nigeria. The specific finding shows that FSIZ, FPRO and FGRW have positive and significant influence on CSRD of quoted agricultural companies in Nigeria. The study recommends among others that management of large companies should consider increasing their practice/involvement in CSRD.

Keywords: Corporate Social Responsibility Disclosure, Firm size, Firm profitability, Firm growth

1.0 Introduction

In a dynamic, complicated, and unpredictable world in which organisations are operating, they must consider the interests of outside audiences in their everyday activities. Due to the influence of organisations on their society, there exists a symbiotic connection; their interdependence is critical; therefore, they should support one another. The organisation's staff, safety, and sponsorship of its goods and services are all dependent on society, and society expects them to contribute to environmental development on both a social and economic level. However, both parties can only be happy if they meet each other's expectations (Ojo, 2008; Uadiale & Fagbemi, 2011). Accounting as a measurement and communication process for a business, provides data that enables consumers to make well-informed decisions. The practice of communicating the social and environmental effects of an organisation's economic actions to specific interest groups within a society as well as the wider public is known as corporate social responsibility disclosure (Oni & Kabir, 2010). Accounting for corporate social responsibility activities can help a company's reputation. According to Branco and Rondrigues (2006), accounting for Corporate Social Responsibility spending helps firms be more responsible to their stakeholders, which improves their reputation among several stakeholders, including consumers, suppliers, rivals, banks and investors.

A firm's reputation is the public's perception of the company. Profit and risk considerations, market share, media visibility, equity, dividend allocations, business size, and accounting calculations with a social perspective are only a few of the variables that contribute to a firm's image (Johan 2021). A company's strong reputation can provide several benefits, including increasing the company's attractiveness to prospective employees, increasing job satisfaction, and decreasing the proclivity to switch to other companies (Bear, Rahman, & Post 2010). Companies may build a favourable reputation in addition to their own by upholding their environmental and social responsibilities (Marshall, 2007). Several studies has been conducted to find out the determinants of corporate social responsibility disclosures in advanced economies (Zou, Zeng, Xie, & Zeng, 2014; China, Mamun, & Ahmed, 2017; Asia pacific Abdulsamad, Ahmed, & Yaseen, 2017; Malaysia, Wonsuk, & Abebe, 2016; Garcia, Carvalho, Boaventura, and Souza Filho, 2020) the evidence for emerging economies such as Nigeria appears to be largely hearsay, as the studies that have empirically examined the key determinants of Corporate Social Responsibility Disclosure (CSR) have not been adequate in emerging economy especially in the post-recession era. The design and scope of the reviewed prior studies differs. Some were based on cross sectional design/data (Zou, Zeng, Xie, & Zeng, 2014, Mamun, & Ahmed, 2017 Abdulsamad, Ahmed, & Yaseen, 2017), others used the disclosure of absolute value of investment in environment/social activities (Wonsuk, & Abebe, 2016, Garcia, Carvalho, Boaventura, & Souza, 2020). While others used word count collected from firms annual reports in various years (Peraita, 2017; Bassey, Sunday & Eton 2013; Duke & Kankpang 2013) without controlling for heterogeneous impact on the data. Those differences result to inconsistency with the findings and can affect the reliability of the results, thereby limiting their practical applicability. Against this backdrop, we explore the determinants of corporate social responsibility disclosure of quoted agricultural companies in Nigeria. To achieve this purpose, these hypotheses were formulated:

- H₀₁:** Firm size has no significant influence on CSR.
- H₀₂:** Firm profitability has no significant influence on CSR.
- H₀₃:** Firm growth has no significant influence on CSR.

2.0 Review of Related Literature

2.1 Conceptual Framework Corporate Social Responsibility Disclosure

CSR is a branch of accounting that helps a company account for all its operations and activities in the eyes of all interested parties. Financial, quantitative, and/or qualitative data on an organisation's ties with society are collected and shared using social accounting methodologies (Gray, Collison & Bebbington, 1998). Social accounting practices, according to Daferighe, Akpanuko, and Offiong (2019), involve a wide range of activities, including employment, training, and advancement of people with disabilities, as well as some health programs, safety, and well-being at work.

Social accounting is distinct from both public interest and critical accounting. While social accounting is often employed in the context of CSR, it may be utilised by any organisation, including NGOs, charities, and government organisations. Social accounting can also be combined with Community-Based Monitoring (CBM). The notion of corporate responsibility is emphasised in social accounting. Crowther, (2000) describes social accounting in this context as a method to inform about a society's actions that stresses the necessity to identify socially important behaviour, as well as the determination of those for whom the firm is accountable.

CSR is a company strategy that promotes long-term growth by providing economic, social, and environmental benefits to all stakeholders. It is a broad term that covers a wide range of subjects, including human rights, corporate governance, health and safety, environmental consequences, working conditions, and economic growth. Its major goal is to push change toward sustainability.

CSR refers to a company's public publication of information about its social performance on a regular basis. The word "social performance" is used in a wide sense to refer to topics such as social, environmental, and governance that are often not addressed by financial performance indicators. Arora and Chuahan (2021) measured the level of disclosure in financial statements using the number of sentences used to express the concept in the financial report. This study adopted the measurement of Arora and Chuahan for corporate social responsibility disclosure.

Firm Size

Firm size has been variously defined in the literature to refer to the total assets, scale of operations and number of employees among others. With this definition, larger firms are assumed to have more resources at their disposal and can be used for profitable investment opportunities. Similarly, Brown (2009), defined firm size by making reference to the market value. In the same vein, according to Vieira (2010), aligning with the previous definition concluded that the size of a firm is better reflected by its total asset, sales, or market capitalization.

Extant literature has measured firm size in different ways using assets, employment, sales, and market capitalization. This study measured firm size as natural logarithms of a firm's total assets, in line with the study of (Driffield, Mahambare & Pal, 2005). The concept of firm size describes how large or small a firm is and can be measured by its total assets or by its total capitalization. In this study, firm size is measured as a logarithm of the total assets of the company.

Firm Profitability

Firm profitability is the ability of a business to earn a profit. A profit is what is left of the revenue a business generates after it pays all expenses directly related to the generation of the revenue, such as producing a product, and other expenses related to the conduct of the business activities. Various indicators have been used to measure the profitability of firms by various researchers. According to Chen and Wong (2004), defining firm profitability is the unique ability of a firm to gain and utilise its profits in several ways to improve on its competitive advantage. Firm profitability has been measured using various standards including gross profit, net profit, return on equity and return on assets among other measures. Financial profitability emphasises on variables related directly to financial issues and reports. In the study of Chukwu and Egbunike (2017), firm profitability was measured using return on assets as a measure of firm profitability. In this study, firm profitability is measured using return on equity.

Profitability can determine a firm's long-term existence. It is the extent to which a firm may use its available finances and assets to maximise profit. Return on Equity (ROE) is a metric that tells investors how well a firm (or, more precisely, its management team) is managing the money that its shareholders have invested. In other words, it assesses a company's profitability in relation to its stockholders' equity. The higher the ROE, the better a company's management is at creating income and growth from its equity financing (Obehioye, Adeyemi & Augustine, 2013). ROE is the accounting variable to be employed in this analysis ROE. ROE is a profitability ratio that describes how much return a firm is able to generate from its equity. This variable is essentially a financial efficiency metric that tries to determine the extent to which firms create adequate returns on their equity.

Firm Growth

Mai (2006), firm growth is the constant increase in the revenue, and assets of a corporate organisation. Based on the above definition, a firm is considered growing when its revenues, or assets or both increase in consecutive years. According to Sri (2013) firm growth is the change in the company total assets, revenue and revenue generating capability. Firms' growth opportunity varies across sectors and the

individual firm, this determines their financing decision (Akinsulire, 2011). Hence a firm which is experiencing growth tends to choose the use of equity financing because of its low risk and cost.

Firm growth is not one sided, as growth should cut across all aspects of the firm, however, firm growth is empirically viewed from the sales, and assets perspective. Firm growth through the growth in sales is the increase in the sales revenue. But it remained unclear whether increased sales leads to increased profitability and market value in a given accounting year and in a succeeding year. Asset growth is the persistent increase in the total assets, which can be measured by increase in plant and equipment value, and research intensity, may also affect sales growth in a base year or succeeding year, indirectly affecting the development and market value (Safdar, Hazoor, Toheed & Ammara, 2013). This study measured firm growth as the percentage changes in total assets over the period of study as used by (Mohammed & Usman 2016).

2.2 Theoretical Framework

The theoretical foundation of this paper is anchored on the Signalling theory and Stakeholder theory.

2.2.1 Signalling Theory

The concept of signalling was first studied in the context of job and product markets by Akerlof and Arrow. It was developed into signal equilibrium theory by Spence in (1973). The theory proposes that a firm can distinguish itself from another by what and how it discloses information to the capital market which can be a good signal of its performance. The theory believes that the signal is credible only if the bad firm is unable to mimic the good firm by sending the same signal. If the cost of the signal is higher for the bad type than that of the good type of firm, the bad type may not find it worthwhile to mimic, and so the signal could be credible. Some scholars like Ross (1977) show that debt can be used as a costly signal to separate the good from the bad firms. Under the asymmetric information between management and investors, signals from firms are crucial to obtain financial resources. The use of debt as signalling by managers can suggest a better future, hence high-quality firms prefer more debt while low quality firms lower their debt levels.

In this way, a good firm can separate itself by attracting scrutiny while the bad firm will not mimic because the bad firm will not want to be discovered. Poitevin (1989) demonstrates that debt could be used as a signal to differentiate the potential competition of new entrant firms. Low-cost entrants signal this fact by issuing debt while the incumbent or high-cost entrants issue only equity; Harris and Raviv (1985) argue

that calling firm's convertibles can be a kind of signal and Bhattacharya and Dittmar (1991) showed that stock repurchase is another kind of signal to represent firm value.

However, there are two types of signalling: one is the costly signalling equilibrium discussed by Spence in 1973; Leland and Pyle in 1977; Ross in 1977 and Talmor in 1981 etc., second, the costless signalling as proposed by Bhattacharya and Heinkel (1982), Rennan and Kraus (1984). A signal is considered costly if its production can consume resources or if the signal is associated with a loss in welfare generated by deviations from allocation or distribution of claims in perfect markets. The signalling paradigm is multivariate for financial instruments.

The voluntary disclosure of CSR / investment assets enhances the overall disclosure quality and quantity of the firm. Most stakeholders believe that corporate social accounting is one of the major drivers of stakeholder's loyalty which lead to growth in a competitive business environment, hence disclosing this very important tool can enhance the image and market value of the firm. This is why we chose this notion as the foundation for our research.

2.2.2 The Theory of Shareholders

Milton Friedman proposed the shareholders hypothesis in (1970). According to this theory, the traditional role of businesses is to manufacture and distribute goods and services for profit. The entire notion of social accounting has been considered by traditional economists as irreconcilable with the concept of a free-market economy and hence a free society. Friedman felt that the business of business is a business; that is, corporations are formed to generate money rather than to supervise society's social development, and that social development is better handled by the government or Non-Governmental Organisations (NGOs). Friedman also thought that when businesses get engaged in social concerns, income is diverted to matters outside of the managers' primary competence, and that fixing a social problem is the duty of the state. He went on to say that corporate charity and other activities that are not clearly connected to increasing shareholder value are a waste of shareholders' money.

This wasteful use of money, he believes, will have a long-term detrimental impact on society. Unlike Friedman, Corroll and Freeman proponents of stakeholder's theory believe that if a firm generates value for its stakeholders, it will also create value for its shareholders (Pfarrer, 2010).

Stakeholders are described as any individual or group who may influence or is influenced by an organisation's action, decision, policies, practices, or goals (Ebiringa, Yadirichukwu & Ogochukwu, 2013). Investors, consumers, employees, the government, and suppliers are among the stakeholders listed in a

business planning and policy model (Bassey, Sunday, & Eton, 2013). Thus, Stakeholders' theory was introduced by Edward Freeman in (1988).

Stakeholder theorists argue that taking into consideration all component groups is the best approach to maximise overall company performance. According to stakeholder theory, maximising shareholder wealth is not the most effective method for firms to gain a competitive advantage. However, Friedman is opposed to the stakeholder theory, which holds that wealth maximisation is not the ultimate objective of business. He argues that there is just one social duty of business, and that is to use its resources and engage in activities that generate profits. According, management is a shareholder's staff whose first and greatest loyalty is to the investors.

As a result, his primary goal must be to generate a profit and keep the firm alive. It is believed that when managers are given the flexibility to employ organisational resources for the welfare of society rather than simply preserving the interests of the owners, they are given arbitrary and hazardous powers that they may abuse. He goes on to say that growing corporate social responsibility eventually equals slower development or a fall in the Gross National Product (GNP), that since corporations pay taxes to the government, therefore expecting them to use a portion of their revenues in a socially responsible manner is exploitative, especially given that companies are neither equally profitable nor in a position to undertake social investment (Aluko, Odugbesan, Gbadamosi, & Osuagwu, 2004).

The stakeholder idea may be seen as both simple and complicated because it is simple to identify a stakeholder yet hard to manage the stakeholder-profitability connection. This study, however, is founded on the stakeholders' theory as well, because it captures the interests of shareholders.

2.3 Empirical

Lyndon, Ikechukwu, and Ayaundu (2021) investigate the relationship between social cost accounting and profitability using GlaxoSmithKline Consumer Nigeria PLC as a case study. It used profit after tax (PAT) as the dependent variable and staff benefits, health and welfare (EBI) incentives, and government revenue contributions (GRC) as proxies for social expense accounting (independent variables). Secondary data for the identified research factors were analysed from GlaxoSmithKline's annual reports from 2011 to 2018. The study employed descriptive statistics and multiple regression analysis using E-view 10 software. According to the findings, every independent factor had a positive relationship with profit after tax, but only the contribution to government revenue was significant at the 5% level. The regression findings also revealed a significance level (R-squared) value of around 0.94, implying that the

combined impact of changes in the explanatory variable accounts for 94 percent of changes in the dependent variable. With a likelihood of F-statistic value of 5%, the overall effect of fluctuations in the explanatory variables significantly characterised changes in the dependent variable. According to the study's findings, social cost accounting is strongly linked to profitability.

In addition, Suwinto (2020) investigates the fundamental factors that influence CSR funds at financial institutions. Panel data is used in this study to investigate the determining variables on CSF provision. From 2015 to 2019, 45 reports on sustainable development were examined in this study. The sample included banks from three different countries: Indonesia, Malaysia, and Thailand. According to the findings of this study, the size of the company, profitability, efficiency, and the age of the CEO are all factors that influence the amount of CSR funding.

Furthermore, Belen, Silvia and Silvia (2020) investigate among other things, how board gender composition affects CSR reporting. The study looked for differences in corporate social responsibility disclosure based on the gender composition of the Board of Directors, using data from a KPMG survey and the Governance Metrics International Women on Boards Report. Boards with three or more women are more likely to disclose corporate social responsibility, produce less integrated reports, provide more information on corporate social responsibility strategy, and include assurance statements, according to the findings. The study also discovered that having women on boards mitigates the impact of cultural differences by mediating and moderating their influence. The findings are useful in determining the consequences of excluding women from corporate boards in terms of corporate social responsibility. The work adopts a multidimensional approach, combining data from several but complementary sources to give this field of study a distinct focus.

However, Daferighe, Akpanuko, and Offiong (2019) investigate the relationship between social accounting practices and company profitability in Nigeria. The study looked at the relationship between health-related costs (HRC) and company returns on equity (ROE) in Nigeria. The data for the study was acquired from the financial records of fifteen (15) companies chosen at random from the Nigerian economy's Oil and Gas, Manufacturing, and Building and Construction sectors between 2009 and 2015. The HRC variable for social accounting practices was found to have a minimal positive connection with Nigerian firm ROE. The study discovered that investing in social activities had a negligible positive link with businesses' ROE in Nigeria, and indicated that businesses should support health issues with caution in order to increase their long-term economic benefits.

On the other hand, Nwaiwu and Oluka (2018) investigated CSR disclosure and oil and gas financial performance in Nigeria. In this experiment, the impact of corporate social responsibility disclosures on

the performance of Nigerian petroleum and gas companies is investigated. Time series data were obtained from the Central Bank of Nigeria's annual financial reports and the EBR; the data were examined using Pearson's Product Moment's coefficient of correlation and multiple linear regression analysis. Corporate financial success measurements provide a major benefit. The study findings that legislation should be employed to ensure proper CSR information and transparency.

In addition, Anna-Lena, Markus, and Matthias (2018) investigate the contents and determinants of CSR website reporting in Sub-Saharan Africa. The study addresses a portion of this research gap by analysing the CSR website reporting of 211 firms in seven Sub-Saharan African countries. The study's objectives are twofold: First, the study assesses the extent to which Sub-Saharan firms report on CSR and the information they disclose. Second, using institutional theory, the study investigates how socioeconomic and political contexts influence CSR reporting. To achieve this goal, the study investigates the impact of factors at the national and corporate levels. The study discovers that the sample African firms' CSR activities are heavily focused on local charity and thus differ significantly from Western CSR techniques. Furthermore, Alina, Daniel, Tomina, and Roxana (2018) investigate the social responsibility behaviour and actions of small and medium-sized enterprises (SMEs) in Romania to determine which variables are most important in defining different levels of engagement in CSR activities. The extent to which SMEs engage in social responsibility is frequently determined by the decisions of their managers and the value orientation of the entrepreneur. Furthermore, the younger a company is, the less likely it is to engage in CSR. The following is the study's key assumption: Young businesses are less likely to engage in CSR activities. The study data shows significant differences between newly founded businesses and those with a longer track record; however, age is not a determinant in corporate social responsibility.

Consequently, Nuraddeen and Khamis (2018) examine the determinants of corporate social responsibility among Nigerian listed conglomerate firms in the last few decades; CSR has emerged as a prominent topic of attention. The current study attempts to investigate key factors of CSR in Nigerian listed conglomerates utilising samples of six conglomerates from 2010 to 2012. The Stata software was used to analyse the data in the study, which used multiple regression. According to the findings, ownership concentration, corporation tax, and business size all have a favourable and significant influence on CSR. According to the report, there is a need for greater CSR regulation to require owners and management to make and disclose CSR expenditures.

3.0 Methodology

The study used longitudinal data and adopted an *ex-post facto* research design. This was adopted since our data is secondary data that exists already which cannot be controlled or manipulated. The population of the study consists of the entire 5 agricultural firms quoted in Nigerian Exchange group as of 31st Dec. 2020 business list covering from 2011-2020 with 50 observations. They include Ellah Lake, Ftn Cocoa Processors, Livestock Feeds, Presco and Okomu Oil Palm. The study used data from secondary source and was obtained from the Nigerian Exchange Group factbook and annual reports and accounts of the agricultural firms in Nigeria.

Variables Operationalization

The variables were operationalized as follow

Variables	Proxy / Measures	Proxy
Dependent variable		
Corporate social responsibility disclosure (CSR D)	Corporate social responsibility disclosure is measured using the number of sentences that disclose the company’s social activities within the reporting period.	Arora and Chuahan (2021)
Independent variables		
Firm size (FSIZE)	Log of total assets	Vieira (2010)
Firm profitability (FPRO)	Return on equity	Ibrahim and AbdulSamad(2011)
Firm growth (FGRW)	Percentage changes in total assets over the period of the study.	Mohammed and Usmar (2016)

Model Specification and Justification

The researchers adapted and modified the model of Abada and Okuma (2017) in determining the determinants of corporate social responsibility disclosure. This is shown blow as thus:

Model of Abada and Okuma (2017), is as follows: CSR = (FS, FA, ROA, LEV) 1

The above models were modified to suit this study as thus:

CSR D= f(FSIZE, FPRO, FGRW) 2

This can be econometrically express as:

$$CSR D_{it} = \beta_0 + \beta_1 FSIZE_{it} + \beta_2 FPRO_{it} + \beta_3 FGRW_{it} + \mu_{it} \dots \dots \dots \text{equ 1}$$

Where: CSR D = Corporate social responsibility disclosure, FSIZE = Firm size, FPRO = Firm profitability, FGRW = Firm growth, d₀ = Constant; d₁... d₃ = are the coefficient of the regression equation, μ = Error term, i= is the cross section of firms used, t = is year (time series).

4.0 Analysis and Interpretation
Descriptive Statistics

The descriptive statistics result shows the mean value (average) for each of the variables, the maximum values, minimum values, standard deviation, and the normality (Jarque-Bera) result.

Table 4.1 below, is the descriptive statistics result of the data covering the period of ten years (2011 – 2020) of the quoted agricultural companies used for the study.

	CSR	FP	FS	FG
Mean	7.191986	0.542564	14.29376	0.129876
Median	0.060000	0.430000	14.40000	0.300000
Maximum	11.00000	0.770000	20.00000	0.480000
Minimum	4.000000	0.900000	4.000000	0.030000
Std. Dev.	0.117087	0.499934	3.163223	0.598967
Skewness	4.465454	0.105409	0.017341	8.292675
Kurtosis	38.69707	1.011111	2.315007	116.3258
Jarque-Bera	22510.95	66.50205	7.820704	218083.5
Probability	0.000000	0.000000	0.020033	0.000000
Sum	45.64000	189.0000	4750.000	92.00000
Sum Sq. Dev.	5.456319	99.47368	3982.381	142.7870
Observations	30	30	30	30

Source: Descriptive Statistics Result Using e-view 8

The descriptive statistics result shows that on average, quoted agricultural companies disclose corporate social responsibility activities using about 7 sentences in the financial statement. The difference between the mean, maximum and minimum reveals that most of the companies carry out corporate social responsibility disclosure. Some companies did not spend much on social accounting activities in some years while some spent much on social accounting activities.

The result reveals that on the average, profitability of quoted agricultural companies has a positive average value of about 54.3, the maximum and minimum values show that among the quoted agricultural companies used in the study, some of quoted agricultural companies made high profit while some made low profit. Firm Size shows that most of the companies are above average (sector average) while some are below the sector average in terms of size. This shows that the quoted Agricultural companies used in the study are not dominated by large or small companies but were a mix of either large or small sized companies.

The result shows that the quoted agricultural companies used in Nigeria experienced growth of about 12.99 percent on the average while some did not experience growth within the period under review.

Normality Test

Table 2: Normality test:

Variable	Obs	W	V	z	Prob>z
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CSR		30	0.7714	464.08	61.505	0.0000
FS		30	0.6526	434.23	52.345	0.0000
FP		30	0.7576	451.76	59.186	0.0000
FG		30	0.6605	431.06	51.563	0.0000

Source: Shapiro wilk normality test

The Shapiro wilk normality test shows that corporate social responsibility disclosure, firm size, firm profitability, and firm growth, are normally distributed at one percent significance. This indicates that the result of the analysis can be relied upon in making generalization and for policy formulation. The result of the Shapiro normality test is like the normality test result produced by the Jarque-Bera statistics probability (under descriptive statistics).

4.2 Correlation Analysis

Table 4.2 Pearson Correlation coefficient analysis

	CSR	FP	FS	FG
CSR	1.000			
FP	0.029	1.000		
FS	0.068	0.038	1.000	
FG	0.116	-0.040	-0.006	1.000

Source: Correlation analysis result using Minitab 16.

The result shows that corporate social responsibilities disclosure has positive but weak association with firm size (CSR 0.068), firm profitability (CSR 0.029) and firm growth (CSR 0.116) This shows that increase in firm size, firm profitability and firm growth can positively increase the level of corporate social responsibility disclosure.

Table 4: Variance inflation factor test:

Variable	VIF	1/VIF
CSR	1.02	0.98039
FS	1.10	0.90909
FP	1.01	0.99009
FG	1.01	0.99009
Mean VIF	1.06	

The Variance inflation factor test result table above shows the mean value of 1.06 which is less than the 10 benchmark. The mean value indicates the absence of multicollinearity in our model. This result (Variance inflation factor test result) confirms the finding from the correlation analysis which shows the absence of multicollinearity using 75 percent acceptance region in determining the level of association among the variables used.

/Regression Analysis Result

Model 1: Corporate Social Responsibility Disclosure

Dependent Variable: CSRD
Date: 29/1/23 Time: 14:52
Sample: 2011 2020
Periods included: 10
Total panel (unbalanced) observations: 30

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.175388	0.064396	2.723585	0.0242
FPRO	2.002555	0.748361	2.675922	0.0078
FSIZE	0.171410	0.065019	2.636311	0.0088
FGRW	0.498276	0.374749	1.329626	0.1845

Effects Specification

Cross-section fixed (dummy variables)

R-squared	0.771106	Mean dependent var	0.114386
Adjusted R-squared	0.688921	S.D. dependent var	0.117087
S.E. of regression	0.098734	Akaike info criterion	1.682513
Sum squared resid	3.431448	Schwarz criterion	1.212635
Log likelihood	382.6614	Hannan-Quinn criter.	1.496417
F-statistic	9.515489	Durbin-Watson stat	2.210317
Prob(F-statistic)	0.000000		

Source: Regression result from e-view 8

The analysis result of the corporate social responsibility disclosure model shows an R-sq of 0.771106 and R-sq (adj) 0.688921 respectively. The R-squared adjusted value of 0.68921 (68.9%) indicates that the determinant variables used in the study can explain about 68.9 percent of changes in the level of corporate social responsibility disclosure among quoted agricultural companies in Nigeria. That is, about 68.9% changes in corporate social responsibility disclosure among quoted agricultural companies in Nigeria can be attributable to the determinant’s variables. The F-statistics value of 9.515489, and its

probability value of 0.000000, shows that the corporate social responsibility disclosure regression model used is well specified and the specification is statistically significant at 1% levels.

Hypotheses Testing

H01: Firm size has no significant effect on corporate social responsibility disclosure of quoted agricultural companies in Nigeria

The analysis result of the effect of firm size on corporate social responsibility disclosure shows a coefficient value of 0.17 of the corporate social responsibility disclosure. The coefficient value indicates that firm size is positively affecting the level of corporate social responsibility disclosure of quoted agricultural companies in Nigeria. The probability value of 0.0078 indicates that size of firms has a significant effect on corporate social responsibility disclosure. Based on the result, the study accepts the alternate hypothesis and concludes that firm size has a significant effect on corporate social responsibility disclosure of quoted agricultural companies in Nigeria.

H02: Firm profitability has no significant effect on corporate social responsibility disclosure of quoted agricultural companies in Nigeria

The result of the effect of firm profitability on corporate social responsibility disclosure shows a coefficient value of 2.003 and probability value of 0.0078. This indicates that firm profitability positively affects the level of corporate social responsibility disclosure. This reveals that firm profitability positively increases the level of corporate social responsibility disclosure. The P-value of 0.0078 reveals that the positive effect of firm profitability is significant on the level of corporate social responsibility disclosure of quoted agricultural companies in Nigeria. Based on the result, the study accepts the alternate hypothesis and concludes that firm profitability has a significant effect on corporate social responsibility disclosure in Nigeria.

H03: Firm growth has no significant effect on corporate social responsibility disclosure of quoted Agricultural Companies in Nigeria

The result of the effect of firm growth on corporate social responsibility disclosure of quoted agricultural companies in Nigeria shows coefficient value of 0.498 for the corporate social responsibility disclosure model. Those values indicate that firm growth positively affects the level of corporate social responsibility disclosure. This result reveals that firm growth can increase the level of corporate social responsibility disclosure of quoted Agricultural companies in Nigeria. The Probability value of 0.1845 reveals that the effect of firm growth on corporate social responsibility disclosure is insignificant of quoted Agricultural

companies in Nigeria. Based on the result, the study accepts the alternate hypothesis and concludes that firm growth has an insignificant effect on corporate social responsibility disclosure.

Discussion of findings

The result shows that firm size has a positive and significant effect on the level of corporate social responsibility disclosure of agricultural companies in Nigeria. This means that the size of companies affects the level of corporate social responsibility disclosure. Thus, big companies are expected to be involved in corporate social responsibility activities more than smaller companies. Firm size drives a major change in the corporate social responsibility disclosure of quoted agricultural companies in Nigeria. The finding is in line with the finding from the study of Dan, Hsien-Chang and Lie-Huey (2013) Musa and Shehu (2013) Elfeky (2017).

The result shows that firm profitability has a positive significant effect on the level of corporate social responsibility disclosure. This means that firm profitability can increase the level of corporate social responsibility disclosure of quoted agricultural companies in Nigeria. Thus, an increase in the profitability of companies can lead to increasing companys' involvement in corporate social responsibility disclosure activities in Nigeria. The finding is in line with the finding from the study of Amole, Sulaiman, and Awolaja (2012) Musa and Shehu (2013), Elfeky (2017), Lyndon, Ikechukwu and Ayaundu (2021), who find positive significant relationship between firm profitability and level of corporate social responsibility disclosure while the finding from the study of Sanni, Olayiwola and Abdul-Baki (2014) find positive but insignificant relationship.

The study finds that firm growth positively impacts the level of corporate social responsibility disclosure. Growing companies desire the good will of the stakeholders to penetrate the market and gain more market share, corporate social responsibility disclosure is one of the ways the companies show to the society that they are good citizens to curry the goodwill of the stakeholder. This result reveals that growing companies invest in financial social accosting activities hence its impact has a positive and significant impact on corporate social responsibility disclosure. This finding is in line with the finding from the study of Dan, Hsien-Chang and Lie-Huey (2013) Musa and Shehu (2013) but contrary to the finding from the study of Nwaiwu and Oluka (2018).

5.0 Conclusion and Recommendation

Based on the findings of the study, it was concluded that not all factor drives the level of corporate social responsibility of quoted agricultural companies in Nigeria. The study suggests that management of large

companies should consider increasing their practice/involvement in corporate social responsibility disclosure. This will boost the company's goodwill, image, stakeholder favor, and market value. High-profitability companies consider increasing their involvement in corporate social responsibility disclosure practices/activities, as this will have a positive impact on the company's image, improve performance, and help them achieve their goal of wealth maximization. Growing companies consider increasing their level of involvement in corporate social responsibility disclosure practices/activities because it will positively impact the company image and help them achieve their desired goal of growth and wealth maximization.

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