

Impacts of Corporate Social Responsibility on Infrastructural Delivery in Ekiti State

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ABSTRACT: This study investigates infrastructure delivery through corporate social responsibility (CSR) approach in Ekiti State, Nigeria. The society is currently faced with inadequate infrastructure which has negatively impacted upon the lives of the citizens. The gap in infrastructure provision which CSR attempts to bridge is the focus of this study. The study employs questionnaire survey, a quantitative technique to collect data from the respondents. A total of 120 questionnaires were administered, 105 were retrieved and a total 100 were used for analysis. The data was analyzed using descriptive statistics; specifically, means score. Findings indicate that lowered productivity which is one of the implications of infrastructure shortages on the society was ranked first followed by limiting organization activities and reduced standard of living was ranked least. The study concluded that strategies for improving infrastructural delivery through corporate social responsibility in Ekiti State includes provision of tax relief from government, removal of legal constraints for corporate organizations and provision of enabling environment for business to thrive.

Keywords: Corporate Social Responsibility, Delivery, Infrastructure, Nigeria.

I. INTRODUCTION

Corporate social responsibility is basically a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment. Corporate social responsibility is represented by the contributions undertaken by companies to society through its business activities and its social investment. This is also to connect the concept of sustainable development to the company's level (Carrolls, 2004).

Corporate Social Responsibility (CSR) is the set of standards to which a company subscribes in order to make its impact on society and has the potential to make positive contributions to the development of society and businesses. From the recent past till date, an increasing number of companies worldwide started promoting their Corporate Social Responsibility strategies because the customers, the public and the investors expect them to act sustainably as well as responsibly in most cases Corporate Social Responsibility (CSR) is a result of a variety of social, environmental and economic pressures.

Corporate social responsibility refers to strategies that corporations or firms use to conduct their business in a way that is ethical and society friendly. Corporate social responsibility can involve a range of activities such as working in partnership with local communities and be socially sensitive in investment, developing relationships with employee, customers and their families and involving in activities for environmental conservation and sustainability (Falck and Hebbich, 2007). It also refers to a concept whereby companies integrate social and environmental concerns in their business operations and in their interactions with their stakeholders on a voluntary basis

(Crowther and Aras, 2008).

In the past five years, CSR has become a fundamental business practice and has gained much attention from the management of large international companies. They understand that a strong CSR program is an essential element in achieving good business practices and effective leadership. Companies have explored that their impact on the economic, social and environmental sector that directly affects their relationships with

investors, employees and customers. Although the prime goal of a company is to generate profits, companies can at the same time contribute to social and environmental objectives by integrating corporate social responsibility as a strategic investment into their business strategy (Lee 2008).

Their task is to make sure that the process of global and economic and social change is managed properly and fairly. Several guidelines or standards have been developed to serve as outlines for CSR (Hood, 2008).

In the Nigerian society, Corporate Social Responsibilities [CSR] has been a highly contemporary and contextual issue to all stakeholders including the government, the corporate organization itself, and the general public. Most corporate organizations are concerned about what they can take out of the society, and de-emphasized the need to give back to the society (their host communities). Due to inadequate resources at the disposal of the government to meet the basic infrastructural need such as good roads, hospitals, water supply, etc. which are the basic needs of the society, there has always been delay in delivering this projects, due to this Corporate Social Responsibility (CSR) have embarked on playing some vital roles of the government in terms of partly providing the basic needs of the society (Bichta, 2009). There exist a gap between the infrastructural needs of the people and what the government can provide; corporate social responsibility attempts to partly bridge this gap. The aim of this study are to investigate areas in which companies has invested as its Corporate Social Responsibility, to assess the impact of inadequate infrastructure on the society and to recommend the strategies for improving infrastructure delivery through corporate social responsibility in Ekiti state. An assessment of the study would enable the government at all levels to provide a fully sufficient infrastructural facilities that could bring a desirable development to the country both economically and socially which will lead to a good standard of the living of the citizen.

II. METHODOLOGY

The research design for this work is quantitative research design using questionnaire survey. The instrument used for the survey is well-structured questionnaire that was designed to

collect data in other to achieve the research objectives.

Targeted Population

The targeted populations for this study are private businesses from different sectors of the economy. These include manufacturing companies, telecommunication, food industries, pharmaceutical companies and banks within Ekiti state.

Sampling and Sampling Technique

The sample frame for this study is manufacturing companies, banks, telecommunication, food industries and pharmaceutical companies in Ekiti State. A total of fifty (100) questionnaires were distributed to the various companies involved within state. The sample technique adopted for this research is simple random sampling techniques because it is the most basic method of probability sampling, and each member of the total population has an equal opportunity or chance of being selected.

Data Collection Instrument

The instrument used for the collection of data for the purpose of this study is mainly from primary data which is questionnaire; the questionnaires are well structured and it contains relevant questions for the purpose of this study. The data obtained from completed questionnaires were analyzed and used. The section A of the questionnaire was design to collect demographic information from the respondents; this is to make sure that data acquired from the field are of good quality before embarking on statistical analysis. Each question in the questionnaire was design to measure a specific aspect of the set objectives. The respondent background shall be measured using nominal scales.

Data Analysis

Data were analyzed using descriptive statistics such as percentiles, mean score and mean ranking which is use to represent the behavior of the respondents to the questionnaire. Statistical Package for Social Scientists (SPSS) was used for the analysis. Tables were used for data representation. The mean ranking was use to represent the behavior of the respondents to the questionnaire.

III. RESULTS AND DISCUSSION

Table 1 - Population Distribution of Questionnaire

Population	Frequency	Percentage(%)
No of questionnaire retrieved	105	87.5
No not retrieved	15	12.5
Total	120	100

Source: Field Survey 2017

Demographic Information of Respondent Gender of Respondents

Table 2 below shows gender of respondents and it can be deduced that female respondents dominant

male; the percentage of female is 71% while that of male is 29%.

Table 2: Gender of respondents

Gender	Frequency	Percentage(%)
Male	29	29
Female	71	71
Total	100	100

Source: Field Survey 2017

Age of Respondent

The table below shows age group and distribution of respondents, the age group that takes higher frequency from table 3 is 20 -29 years which shows that respondents are well learned and the information from them is reliable for the purpose of

this research work. Age 20-29years is 57.78%, which is the highest / largest frequency 30-39years is 42.22%, while there was no respondent of 40-49years, 50-59 and 60 above. This is in agreement with what has been reported by Dirk and and Jeremy (2004) in a similar study.

Table 3: Age of respondent

Age group	Frequency	Percentage(%)
20-29	52	52
30-39	42	42
40-49	4	0
50-59	2	0
60 and above	0	0
Total	100	100

Source: Field Survey 2017

ORGANIZATION OF RESPONDENTS

The sample size of the research lay emphasis on the members in the companies and banking system. The organization includes banking, pharmaceutical companies, telecommunication and manufacturing companies.

The table below shows the percentage of the organization of the respondents. Banking 20%, pharmaceutical companies 11.11%, telecommunication 24.44% and manufacturing companies 44.44%. This is in accordance with what Drucker (2009) reported in a similar study.

Table 4: Organization of respondents

Organization of respondent	Frequency	Percentage(%)
Banking	20	20
Pharmaceutical company	11	11
Telecommunication	24	24
Manufacturing company	45	44
Total	100	100

Source: Field Survey 2017

LEVEL OF EDUCATIONAL ATTAINMENT

National diploma (ND) takes the highest number of the sample and this shows the level of education in sampled organization. This helps the researcher to get real information from the selected

sample size of the population. The result from table 4.5 below indicate that ND has 35.56%, NCE 22.22%, HND 22.22%, BSc 20%, MSc 0%, PhD 0%. This is in agreement with what has been reported by Fernando (2009) in a similar study.

Table 5: LEVEL OF EDUCATIONAL ATTAINMENT OF RESPONDENTS

Level of educational Attainment	Frequency	Percentage (%)
NCE	24	24
ND	38	38
HND	24	24
BSc	12	12
MSc	2	2
PhD	0	0
Total	100	100.00

Data source: Field Survey 2017.

YEARS OF EXPERIENCE

Years of experience of the respondents are very important and this will assure experience information to the research work.

Table 6: Year of experience

Year of experience	Frequency	Percentage(%)
1-5	74	74
6-10	17	17
11-15	5	5
16-20	3	3
20 and above	1	1
Total	100	100

Source: Field Survey 2017

IV. ANALYSIS OF RESEARCH OBJECTIVES

Areas in which company/organization has invested in as its Corporate Social Responsibility project

The areas of invested infrastructure need to be examined among the respondents in order to establish facts from the data collected from the respondents. The table 7 below, gives the result of the infrastructure that is most invested in by the respondents as their corporate social responsibility

activities which is public conveniences with the highest frequency of 51 followed by water supply which is 47, followed by telecommunication which is 31, followed by health facilities and ICT that were 21 each, followed by electricity supply which is 9, followed by public library, drainage system

and sewage treatment facility with a frequency of 7 each and the most not invested infrastructures were bus stop and classrooms/lecture theaters with a frequency of 0 each. This is different from what has been reported by Eke ((2011) in a related study.

Table - 7 Areas in which organization has invested as its Corporate Social Responsibility Project

PROJECTS	NOT INVESTED	INVESTED	MEAN	RANK
Public conveniences	49	51	2.00	1
Water supply/ Borehole	53	47	1.98	2
Telecommunication	69	31	1.96	3
Health facilities	79	21	1.84	4
ICT facility	79	21	1.84	4
Electricity supply	91	9	1.82	6
Drainage system	93	7	1.71	7
Public library	93	7	1.71	7
Sewage treatment Facility	93	7	1.71	7
Classroom/lecture Theater	100	0	1.53	10
Bus stop	100	0	1.53	10
Road construction	100	0	1.53	10

Source: Field Survey 2017

Impacts of inadequate infrastructure on the society

During the field survey of this study, respondents were asked to rate their level of agreement on the impacts of inadequate infrastructure on the society. The result in table 4.8 identified twelve (12) impacts assessment of inadequate infrastructure on the society the two

most rated impact of inadequate infrastructure on the society were low productivity and limiting company/organization activities with mean 4.84 and 4.69 respectively and the two less rated were reduced patronage and reduced standard of living with a mean of 4.20 and 3.38. This is similar to what has been reported by Fox (2007) in a separate study.

Table 8 - Ranking of impacts of inadequate infrastructure in the study area

IMPACTS	SA	A	U	D	SD	MEAN	RANK
Lowered productivity	81	11	1	-	4	4.84	1
Limiting company/organization activities	69	27	4	-	-	4.69	2
Poor communication	61	31	-	-	3	4.58	3
Increases operating cost	53	36	-	11	-	4.49	4
Increases unemployment rate	51	41	8	-	-	4.44	5
Increases resource wastage	51	41	8	-	-	4.40	6
Poor market condition	51	44	7	3	-	4.36	7
Increases accident rate	39	54	4	-	3	4.31	8
Reduces life expectancy	45	45	8	7	-	4.31	8
Reduces ease of doing business	33	61	-	-	3	4.27	9
Reduces patronage	41	48	8		3	4.20	10
Reduces standard of living	49	39	9	-	3	3.38	11

Source: Field Survey 2017

4.8 Strategies for improving infrastructure delivery through Corporate Social Responsibility

Table 9 below indicates the strategies for improving infrastructure delivery through corporate social responsibility. Tax relief from government was ranked first with a mean of 4.71, good governance was ranked second with a mean of 4.67, removing legal constraints was ranked third

with a mean of 4.53, government making policy and regulation friendly for private sector was ranked fourth with a mean of 4.47 and government providing enabling environment for business to boom was ranked fifth with a mean of 4.36. This shows that tax relief from government is the most employed strategy for improving infrastructure delivery through corporate social responsibility.

Table 9 - Strategies for improving infrastructure delivery through corporate social responsibility (CSR)

STRATEGIES	SA	A	U	D	SD	MEAN	RANK
Tax relief from government	68	23	-	9	-	4.71	1
Good governance	70	30	-	-	-	4.67	2
Removing legal constraints	58	42	-	-	-	4.53	3
Government should make friendly policy	47	53	-	-	-	4.47	4
Providing enabling environment	40	54	6	-	-	4.36	5

Source: Field Survey 2017

V. CONCLUSION

The findings of this research discussed the impacts of inadequate infrastructure on the society with the aid of questionnaire survey; lowered productivity has been identified as the first impact followed by limiting organization activities, strategies for improving infrastructure delivery through corporate social responsibility have being provided as means of improving infrastructure delivery. This indicates that corporate social responsibility contributes to a way of living a healthy life in the community. 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. A company cannot progress positively in a retrogressing society. Various basic infrastructure has been identified, the impact of inadequate infrastructure and also the strategies for improving infrastructure delivery through corporate social responsibility. The analysis of research data has revealed that the most invested area of infrastructure by the companies/organization is public conveniences and supply and the most rated impacted of inadequate infrastructure is that it lowered productivity and the best strategy for improving infrastructure delivery through Corporate Social Responsibility is tax relief from government.

Recommendation

The following recommendations are therefore prescribed as the strategies of improving infrastructure delivery through corporate social responsibility. The recommendations are as

1. There should be tax relief from government.
2. There should be good governance.
3. Government should make friendly policy and regulation for private sector,
4. Government should remove legal constraints that add to risk of doing business.
5. Government should provide enabling environment for business to boom.

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