ASSESSMENT OF IMPACT OF CORPORATE SOCIAL RESPONSIBILITY ON FIRM PERFORMANCE OF MANUFACTURING COMPANY IN NIGERIA

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ABSTRACT

The research assessed the influence of corporate social responsibility on firm performance of manufacturing companies in Nigeria. The specific objective of the study was to examined the influence of corporate social responsibility on firm performance on manufacturing company in Nigeria. Data was extracted from the Annual financial report of a manufacturing company using both descriptive research method and correlation method while Vector Error Correction Model (VECM) were used to analyze the relationship which exist among the variables within the spanning year of 1994-2020. The result of the findings showed that there is correlation among the variable of interest which is a clear indication that corporate social responsibilities corporate social responsibilities has positive and significant impact on price earnings ratio, dividend yield and return on investment while corporate social responsibilities has negative and insignificant impact on earnings per share based on the analysis of this study of manufacturing firms in Nigeria. The research recommends that Management should create an enabling business environment where there is respect for sociocultural values and societal norms, equal chances and approach for all sexes, fairness and integrity in dealing with employees and customers, transparency and fairness to members of the public and employ a merit basis for granting contracts. A firm must show concern to the staff working conditions by practicing flexible working hours, equitable compensation, ensuring prompt promotion and internal advertisement, and striking a balance between work and family demands of employees.

Keywords: Corporate Social Responsibility, Firm Performance, Price Earnings Ratio, Manufacturing Company, Nigeria

INTRODUCTION

Improving financial output is top of mind for all organizations. Following the inclusion of the concept of social responsibility in the SDGs, CSR is now widely accepted as an indicator of corporate financial performance (Gbam, & Dedi, 2017). The striking growth in CSR investments, reports, and research analyses have prioritized the value of CSR in business literature, and formations can have abundant gains because of better performance in the social and environmental sectors. Small and medium-sized companies have been identified as the “heart of society” and are expected to represent a higher level of social responsibility (Kanwal et al,2013). Organization use CSR as a means of increasing their credibility (Kotler, & Lee, 2005) and to build on their good reputation (Boafo & Kokuma, 2016) that makes it possible to attract more customers and increase their profits (Diffy,2017). In general, companies rank higher in the CSR investment index in a highly firm commercial environment (Elizaveta, 2010). It is as well indicated that firms coordinate their social aims with their corporate targets where CSR acts as a way of marketing through the highest bidder (Akinleye and Adebayo, 2017) and a strategic mechanism to increase the overall value of all stakeholders to increase their firm performance. It is likewise well documented that CSR performance can be an efficient approach for companies to cultivate positive terms with by development their immediate surroundings in other to gain the affection of the people (Adeyanju, 2012). CSR puts a significant influence on firm performance and also enhance more company reputation (Story and Castanheira 2019) and is considered as a purpose of a firm’s behavior toward its stakeholders, thereby including their impact as a major of companies firm (Amposah-Tawiah, & Dartey-Baah, 2011) which contributes toward their ethical responsibility (Brown & Dacin 1997) and development, thereby proving as an important element of business success (Korkichi et al,2007;Gbam et al, 2017; Kanwal et al,2013). Therefore, a higher level of workers’ productivity will have a progressive influence on the firm’s operating performance (Korkichi et al,2007;Freeman et al, 2002). More workers increase business profits, which will eventually improve financial performance (Lee, 2008). An organization may be considered a production machine that collects feedback from traders, shareholders, and workers and provides production to customers (Mirfazli, 2008). Stakeholders such as employees, local and national government agencies, and citizens have the right to expect and claim socially justifiable and favorable behavior of firms and their leaders doing their best in a highly firm job environment (Kujala et al. 2019). Customer rights include liberty and safety at the workplace, right to meaningful work, deference, and equality (Bowie 1998).

Competition between small and medium-sized companies depends on the relationship between environmental performance and production efficiency. Organizations strive to balance environmental performance, corporate reputation and firm performance. Modelling the structural equations of these variables can be used to examine their interrelationships. In this study, results of the study could help in planning proper management of resources and economically pairing that with environmental preservation, providing both economic benefits and improving the image of the organization while simultaneously benefitting the local community and society at large, reducing the cost of operation, and helping to preserve the environment. (Nguyen, Hoang, & Luu, 2019)

Despite the widespread practical and academic interest in corporate social responsibility and its impact on the firmness of corporate organization, few theoretical and empirical contributions exist in developed countries. Few studies captured the connection between Quantitative and qualitative research with respect to corporate social responsibility in SMEs which is limited especially in developing countries (Liu & Fong, 2010). In the light of the perceived positive effects of corporate social responsibility practices on firm performance, a closer examination of the relationship between corporate social responsibility factors and firm performance is therefore crucial. In this study, firm performances are considered to be business's ability to sustain its long-term performance better than its competitors in the market, as indicated by profitability, market share, sales and growth rate. The main objective of this paper is to identify and empirically test the impact of selected corporate social responsibility-related factors on the firm performance of Telecommunication companies in Nigeria. Based on the findings, recommendations will be made to enhance corporate social responsibility to effectively increase social and environmental activities as a result of increase in firm performance

This study offer a valuable contribution and knowledge on how corporate social responsibility impact firm performance in an organization with employee job satisfactory as a mediating factor, The current study add to the increasing scope of recent research studies on the subject by providing indispensable information to academician and organizational managers in the F companies to encourage them to invest more on social and environment where they run their business leading to fruitful outcome for the organization's fiscal output through profitability. The organization of literature review in different area help to reveal the study i.e. a relationship between Corporate Social Responsibility and firm performance., corporate reputation and customer satisfaction, Environmental Performance, Corporate reputation, and Firm Performance under this research

Research Questions

What are the impacts of corporate social responsibility on firm performance of Telecommunication companies?

CONCEPTUAL REVIEW

Concept of Social and Environmental Performance

Definition of Corporate Social Responsibilities

Corporate Social Responsibilities (CSR is a broad set of obligatory programs, practices and policies incorporated into the supply chains, business operations and decision-making processes of a firm as a form to contribution to or appreciation of their host community or government. It involves taking corporate and social responsibilities of their past and current business operations as well as their future impacts particularly on the host community (Adeyanju, 2012; Mujahid,et al,2014). On the other hand, the scope of CSR has also been a subject of debate in the literature such that whereas some authors believed that CSR should be limited to only the stakeholders of the company (Secchi, 2007; Smith, 2003) others alluded that it should include the society at large (Brown & Dacin, 1997; Kotler & Lee, 2005; Lee, 2008).

Globally, companies are increasingly being pressured by stakeholders to be socially responsible. Close collaboration with the environment is a major objective. Pressure was exerted on management to consume resources effectively and minimize environmental impacts, . The International Organization for Standardization (ISO) developed ISO 26000 which contains 7 core subjects of social responsibility, one of which is environmental standards which firms can follow, including a strategy for environmental preservation, standards for consumption of natural resources, activities for environmental preservation, and standards for managerial minimization of negative impacts on the environment. Environmental management is a major objective of stakeholders, both inside and outside companies, in particular multinational companies, as good environmental management directly benefits them. Business environment management is used as a commercial strategy whose effectiveness must be greater than that of competition. Survey results have shown that firm advantage is a major motivator for companies to adopt ecological and environmental social responsibility. In addition, environmental practices resulting from environmental management also influence economic performance

Firm Performance

Firm performance is the organizational ability of management to gain an advantage over other organizations based on sensitivity to change, in particular the ability to meet client needs. Businesses need to be concerned about changes in the impact of both internal and external globalization and cannot allow things to happen on their own, but instead need to actively deal with changes. Otherwise, the company could not survive and compete successfully with its competitors. Nsikan,, Umoh, and Bariate,,(2015) defined Corporate performance as a result of management policy set forth at the beginning, of targeted plans, and of operational business strategies which can be supervised and measured by customers through satisfaction, sales, earnings, and other operational issues. A companies' operational performance helps the company develop in the face of emerging competition from old and new competitors to enhance the company's firm edge. Previous studies of environmental performance and firm performance have described a positive relation between these two variables, while other studies have reported a negative relationship. These differing outcomes are due to differences in the variables chosen to measure environmental and firm performance. (Ogunsanwo, & Ajayi, 2018)

In business, competition encourage most companies to develop strategies and impose policies in order to compete with other companies. It would seem that competition is essential to the efficiency of companies, in order to put a company before its competitors by efficient use of resources at the least cost, that is, giving the business a sustainable advantage (Nnamani,, Onyekwelu,& Ugwu, 2017) .There are core resources that a firm can acquire and/or control to support its production advantages over its competitors, for example: human resources, financial resources, physical resources (raw materials), technology, communication systems, and marketing information. As well, there are intangible factors that companies can use to develop business strategies, e.g. the capacity for change, the character of the organization and the administrative structure of the company. These factors may be used to enhance effectiveness. Resolutions of a study Nsikan et al, (2015) and further backed by other study Nnamani et al, (2017) indicate that firm performance is a consequence of the ability of a clientele to use limited resources to attain the maximum benefits while receiving a minimum impact on the surroundings. Using resources and energy ineffectively and inefficiently could be thought unjust and unethical as those resources, which have been amassing over a long period of time, in fact belong to others.

Many studies have confirmed that firmness is positively related to corporate performance, particularly financial performance (Ogunsanwo et al,2018; Ohiokha,Odion &Akhalumeh,2016) However, financial performance alone is not a sufficient measure of firmness. There are other factors, such as quality of employees, proper management, and productivity, which are also important. In this research, we used the two-dimensional measure of firm performance which includes financial performance (FIP), proxied by financial information as a measure, such as: sales, costs, profits received, and market share and firm differences potential (CDP) which measures different types of marketing and technologies used by an organization have an edge over competitors, e.g., customer satisfaction, product and service quality, and technological advantage.

Price Earnings Ratio

The most common measure of how expensive a stock is. The P/E ratio is equal to a Stock market capitalization divided by its after-tax earnings over a 12-month period, usually the trailing period but occasionally the current or forward period. The value is the same whether the calculation is done for the whole company or on a per-share basis. The higher the P/E ratio, the more the market is willing to pay for every unit of earnings. Companies with high P/E ratios are more likely to be considered "risky" investments than those with low P/E ratios, since a high P/E ratio signifies high expectations. Comparing P/E ratios is most valuable for companies within the same industry. The last year's price/earnings ratio (P/E ratio) would be actual, while currents year and forward year price/earnings ratio (P/E ratio) would be estimates, but in each case, the "P" in the equation is the current price. Companies that are not currently profitable (that is, ones which have negative Earnings) don't have a P/E ratio at all. Also called earnings multiple

Dividend Yield

Dividend yield is otherwise referred to as dividend-price ratio .It is the dividend per share divided by the price per share.[1 It is calculated by a company's total annual dividend payments divided by capitalization, assuming the number of shares is constant and is often expressed in percentage. Dividend yield is used to calculate the earnings on investment (shares) considering only the returns in the form of total dividends declared by the company during the year. [Its reciprocal is the Price/Dividend ratio

Earnings per Share:

Earnings per share refers to a portion of the earnings of a company allocated to each unit of outstanding shares. It is earnings divided by the number of ordinary shares held by the company at the end of the financial year. It is an indicator of profitability and is calculated by subtracting from net income dividend due to preferred stock holders the value obtained is then divided by the average number of shares.

Linkages between Corporate Social Responsibility and firm performance.

Social and environmental performance is one of the company's CSRs, which has the potential to positively impact an organization's economic potential. Companies that practice proper environmental management can improve their performance in terms of efficiency and output. The business themselves can get higher quality goods and services, achieve higher market share, increase their ability to enter new markets, augment employee satisfaction, and become closer to the local community (Oladimeji,Adebayo & Ogunshola,2017). The results of a company's appropriate environmental performance may include greater capacity to respond to customer expectations and improved customer relations (Oladeimeji et al,2017). Businesses with improved environmental management have a firm advantage over those that do not. Literature research shows that environmental performance is strongly linked to corporate performance and study of Ohiokha et al, (2016); . Nnamani et al. (2017); Nsikan et al. (2015) investigated the relationship between environmental commitment and business performance revealed a strategic relationship between two variables: relationship marketing and branding. According to the study, environmental performance has a direct positive influence on a company's firm performance, whereas the company's image is an intermediary variable between the company's environmental performance and its performance. In the area of environmental performance measurement, the concept of creating indicators was explored (Elizaveta,2010). They use three components to measure environmental performance: reducing or eliminating hazardous waste (HRW), reducing environmental consumption (LEC), and improving environmental compliance (IEC). On the basis of this components, the first hypothesis is expressed as follows:

Hypothesis 1: Corporate Social Responsibility have positive impact on Firm Performance

RELATED THEORETICAL REVIEW

Stakeholder Theory

Stakeholder theory arises out of the complex relationships between the firm and the environment. The concept of company and society is proposed as meaning "company in society" where CSR emerges as an interaction between the two entities. One measure of CSR is the growth of economic values within a society. Another is the obligation of a person to take into account the impact of his or her decision and action on the whole social system. Laid down in the form of a general relationship, the social responsibilities of businessmen must reflect the extent of the social power they have.

Stakeholder theory emphasizes keeping a balance among all stakeholders, thereby working for the welfare of all. A narrow definition of stakeholder describes a group that is important to the success and survival of the organization, and a broader definition includes an association of members who can influence or are influenced by the organization (Lee, 2008).

The stakeholder approach was developed as one of the strategies to better manage the business. This is also said to be a way of understanding reality to manage a company's socially responsible behaviour. The stakeholder approach also considers a company to be an interconnected network of different interests where self-generation and community creation occur interdependently; and individuals behave altruistically. Based on the analysis of Secchi, (2007), the stakeholder approach forms part of integrative and ethical theories, where the first focuses on integrating social claims, and the second on the right thing to do in order to achieve a good society. These are backed up by the work of Lee, (2008) where balances among the pastimes of the stakeholders are the stresses; and the work of Freeman and Phillips (2002) that considers fiduciary duties towards stakeholders of the firms, respectively.

However, grounded in the above literature review, it is clear that none of these studies has taken how the viability of corporate social responsibility influence SMEs firm in Nigeria using the theoretical framework of stakeholder theory which offers the potential to explore an SMEs business. Therefore, this study fills the gap and adds to the existing knowledge of stakeholder theory as suggested by a recently published overview of the theoretical framework by Freeman et al. (2020) that the SMEs firm aspects of stakeholder theory need to be developed and considered for analysis which can lead to exploring and improving our social environment

Managerial Theory

The analysis by Philip and Sosodia (2020) places more emphasis on the logic of management theory, which focuses on business management in which the company addresses CSR internally. That's the difference between the utilitarian view and the managerial view of CSR. This indicates that everything external to the corporation is conducted into account for organizational decision making. Managerial theories have been split into three sub-groups: 1) Corporate social performance (CSP); 2) Social accountability, auditing and reporting (SAAR), and 3) Social responsibility for multinationals.

The CSP sets out to measure the contribution of the social variable to economic performance. The problem is therefore to manage the business taking into account social and economic factors. It is founded on the premise that business depends on society for its development and sustainability. CSP of a corporation is further sub-divided into five dimensions in order to keep detailed information about its existence in the corporate chains: 1) Centrality measures the way CSR is compatible with mission of the core goals; 2) specificity gauges the advantages CSR brings to the corporation; 3) pro-activity that measures the degree of reaction to external demands; 4) voluntarism that accounts for the discretion the firm in implementing CSR; and 5) visibility refers to the way the responsible behavior is perceived by community of stakeholders. As a finale, the managerial theory generates interest in the sense that CSR considers socio-economic variables to measure firms' socio-economic performance, as considerably as to link social responsibility ideology to business strategy. Secchi (2005) states that the SAAR is strictly linked to contributions to social performance through accounting, audit and reporting processes. SAAR means a company is accountable for what it does. In doing so, businesses are controlled and regulated as part of their core business, while at the same time being accountable to the relevant community.

While all three activities are separate management activities, they are inter-related. All these lead to the socially responsible behavior of a firm, which finally measures the corporations' activities that deliver social impact. Firms are involved in SAAR activities for communication needs, to have better stakeholder involvement and for disclosure concerns

Empirical Review

Sarwar Uddin et al. (2012) examined Corporate Social Responsibility and Financial Performance Linkage-Evidence from the Banking Sector of Bangladesh and made use of T.Test, The results of the study revealed positive and significant effect between corporate social performance on firmness of SMEs, Dartey-Baah, (2011) carried out similar research on the effect of Corporate social responsibility on social benefit of some selected companies in France while he made use of static panel data system, the findings discovered that CSR has significant effect on firmness of SMEs also Story and Castanheira,(2019)investigated Impact of Corporate Social Responsibility on product performance of selected money deposit bank with static panel, the study also discovered that CSR has a great impact on the society by adding to the infrastructure and development of the society .Olayinka and Temitope (2011) linked the relationship between CSR and financial performance in developing Economies with qualitative research method and the result showed that CSR has a positive and significant relationship with financial performance measures. Tuodolo, (2009) revealed a significant link between composition responsibility practices and the performance of Serbian small-scale enterprises based on the time series result, According to Mirfazli, (2008) on the impact of corporate social responsibility on organization performance, the result revealed that firm can achieve high financial yield by proactively making progress in their corporate social responsibility program .

Elizaveta,,(2010)carried out a research on the impact of corporate social responsibility on performance using time series and ordinary least square the result revealed that there is positive and significant impact of corporate social responsibility on firm performance. Italian SMEs perceived social responsibility contributed to the growth of business value by proven business image ensuring customers loyalty and Hanson relationship with workers and the community at large. Miller and Besser,(2011)carried out a research on corporate social responsibility and firm performance, the result of the finding reflect a mix results which described a definite relationship between corporate social responsibility and small-scale enterprises performance,

On the contrary, Folarin et al (2014) looked at corporate social responsibility and organizational profitability: an empirical study by Backley bank(2006-2012) with the common leasehold location, the result showed that there is an inverse relation between CSR and firm performance . Along the same vein Fiori and Izzo, (2007) carried out a research on the impact of voluntary disclosure of CSR on stock prices of Italian listed companies using static panel, th results indicate that the disclosure of CSR policies (particularly those referred to employees) leads to higher stock prices because of the prevalence of a sound perception of the marketplace. Ali et al, (2010) investigated the CSR behaviour of Pakistani consumers with an inter-corporate survey enterprise in Pakistan the result revealed that the CSR consume their profit if invested on social and environmental benefit Pakistan. Servaes and Tamayi (2012) also conducted research on the impact of CSR on business value based on the role of customer awareness using a standard rental square. The result reflected that corporate social responsibility has negative impact corporate governance through their profitability.

METHODOLOGY

In analyzing the effect of corporate social responsibility on corporate reputation and financial performance of Manufacturing company in Nigeria

Source of Data

The Study utilizes secondary source of data, which were sourced from Annual financial report of the firm which spanned from the period of 1994-2020.

Model Specification

The following mathematical model was developed to analyze the impact of corporate social responsibility on price earnings ratio, dividend yielding, earning per share and return on investment in Nigeria disaggregating the price earnings ratio, dividend yielding, earning per share and return on investment into categories to determine the impact of each donation on sections on corporate social responsibility of the manufacturing firm as such the following linear relationship is specified as;

CSR=f (PER, DIY, EPS, ROI) ……………………………………………………………..(1)

This explicitly stated as:

CSR= β1PERIt+ β2DIYIt + β3EPSIt + β3ROIIt + εit…………………………………………………………………..(2)

Where:

CSR= Corporate Social Responsibility

PER=Price Earnings Ratio

DIY=Dividend Yielding

EPS=Earnings Per Share

ROI=Return on Investment

DATA ANALYSIS AND RESULTS

Table 4.1: Descriptive Statistics

	PER	DIY	EPS	ROI
Mean	13.4586	0.3234	16.837	21.3424
Median	12.3456	0.6742	16.612	34.3454

Maximum	11.2345	1.3465	19.564	34.4356
Minimum	12.2312	-1.4352	14.2377	32.3245
Std. Dev.	4.59875	0.3234	1.2127	11.6613
Skewness	1.3423	-0.43647	0.4232	0.2345
Kurtosis	5.3424	3.4537	2.5405	2.4567
Jarque-Bera	4.2235	2.0856	4.6387	2.3234
Probability	1.3456	0.0000	0.0983	1.3256
Observations	50	50	50	50

Note 1: PER, DIY, EPR, ROE represent price earnings ratio, dividend yield, earning per share, and return on investment respectively.

Source: Author's Computation (2020)

Table 4.2 reports the results of preliminary correlation analyses among the variables so as to evaluate the direction and degree of relationship between corporate social responsibility (CSR) and firm performance (PER, DIY, EPS and ROE) with a view to examining the impact of corporate social responsibility on firm performance among selected firms in Nigeria. The result showed that corporate social responsibilities (CSR) are positively correlated with price earnings ratio (PER), return on investment (ROI) and dividend yield (DIY) while corporate social responsibilities (CSR) is negatively related with earning per share (EPS).

Specifically, it can be inferred from the results that there is a positive relationship between corporate social responsibilities and dividend yield of the quoted manufacturing companies in Nigeria. Thus, an increase in corporate social responsibilities as an act of giving back to their customer through increase in dividend share and in other way around it will increase firm performance. This shows that as the firm asset increases, firm performance increases. Hence, price earning ratio inclusive of return of investment are a good determinant of firm performance. In the same vein, corporate social responsibilities have a positive association with price earnings ratio. This implies that one of the ways in which a firm can give back to the customer by extending the act of corporate social responsibilities through the increase of price earnings ratio. Hence, the more the act of corporate social responsibilities the higher the return on investment and the better the performance of such firm. In addition, price earnings ratio, dividend yielding and return on investment are positively related to corporate social responsibility. Thus, an increase in corporate social responsibilities will lead to a corresponding increase in firm performance. This implies that the more a firm extend good hands to their staff and customers progress, the better the performance for such firm.

However, the relationship between corporate social responsibility and earning per share was found to be negative suggesting that high debt impedes firm performance.

Table 4.2: Correlation Matrix

	CSR	PER	DIY	EPS	ROI
CSR	3.000				
PER	0.027	3.000			
DIY	-0.2345	-0.0356	3.000		
EPS	0.1245	0.5473	0.015	3.000	
ROI	0.0349	0.3956	-0.126	0.435	3.000

Note 1: CSR, PER, DIY, EPS and ROI represent price earnings ratio, dividend yield, earning per share, and return on investment respectively.

Source: Author's Computation, 2021.

Results from the pooled, random and fixed effect regression results of the impact of corporate social responsibilities on firm performance among quoted manufacturing companies in Nigeria for the sampled period. Using Generalized Least Square (GLS) method, we ran both fixed effect (FE) and random effect (RE). The results revealed a considerable difference between FE and RE based on which Hausman specification test was carried out to enable selection of the best model between the two. The result of the Hausman test revealed a chi2 value of 2.33 with a p-value of 0.4534, which is not statistically significant. On the basis of the Hausman result, random effect model was considered as the preferred between the two models. This is supported by the coefficient, z-values and p-value of the constant term of 1.64, 3.47 and 0.129 respectively in the random effect result. The p-value, which is statistically significant at 5% level of significance provides sufficient evidence for the rejection of the null hypothesis that presumes absence of significant difference in the firms' attributes in influencing their performance.

In order to confirm whether our deduction from the p-value of the constant term in the RE model is correct, we carried out another test for cross-sectional effect using Breusch-Pagan Lagrange Multiplier (LM) to determine whether the entities are of the same or different characteristics in order to enable us decide between random effect regression and pooled panel regression. The rule is that if the firms are of the same characteristics, they would not have to be treated separately since there would be no panel/cross-sectional effect, and thus, pooled regression would suffice for analysis and interpretation. The null hypothesis in the LM test, which is generally considered as superior to p-value of constant term (Gujarati & Porter, 2009) is that there is no cross-sectional effect across the firms. The result of the LM test revealed a p-value that is statistically significant and thus provide sufficient evidence for acceptance of the null hypothesis. Accordingly, the random effect model is considered more appropriate.

Considering the random effect model, the F-statistics value of 57.44 (P<0.05) indicates that the corporate social responsibility as dependent variable jointly influence (price earnings ratio, dividend yield, earning per share and return on investment) captured firm performance. This confirms the overall significance of the model. It further supports the assumption of a significant linear relationship between the dependent variable, return on investment (ROI), and the independent variables (price earnings ratio, dividend yield, earning per share and return on investment)). The R-square explains the goodness of fit of the model. The value of 0.2.32 show that the explanatory variables (price earnings ratio, dividend yield, earning per share and return on investment) account for about 11.32% variation in firm performance. This implies that while the explanatory power of the model used in the study stands at 11.32%, other factors that have not been captured in the study explain the remaining 88%.

The result shows that corporate social responsibilities has positive and significant impact on firm (price earnings ratio) . This indicates that bigger firms make more profit than small ones. This may be as a result of the ability of large firms to attract better managers and workers who in turn contribute to the performance of the firm. In addition, Schim and Rynes (2003) and Boudakru (2005) argued that corporate social responsibilities drive firm performance because large firms may be able to create entry barriers and thus enjoy some benefit. The finding of this work is consistent with literature. This result is in line with the finding of Alhassan, Bajaher and Alshehri (2015) in Saudi Arabia and Ubesie and Okwy-Nwangwu (2013) in Nigeria which found a significant positive relationship between corporate social responsibilities and firm performance measure by return on asset. In addition, corporate social responsibilities exert dividend yielding but the relationship is insignificant. This suggest that as firm improves, firm performance increases. This result is in line with the findings of Abuh and Samaila (2015) who found a positive relationship between corporate social responsibilities and firm performance.

SUMMARY, CONCLUSION AND RECOMMENDATIONS

This study investigated the impact of corporate social responsibilities on firm performance among quoted manufacturing companies in Nigeria. This is with the view to examining the impact of corporate social responsibilities on firm performance among quoted manufacturing companies in Nigeria. To adequately and effectively address the objectives of this study, secondary data were used for the study. The secondary data used were sourced from the Annual Reports and Accounts of the selected quoted manufacturing companies in Nigeria. Data collected were analyzed using appropriate descriptive and inferential statistics and the finding derived therefrom are presented below:

The study found that corporate social responsibilities have significant positive impact on firm price earnings ratio, dividend yielding, return on investment performance among quoted manufacturing companies in Nigeria. Corporate social responsivities also have a positive impact on firm performance but insignificant. Furthermore, the study also found that corporate social responsibilities have a significant negative impact on firm performance among quoted manufacturing firms in Nigeria.

Conclusion

This study investigated the impact of corporate social responsibilities on firm performance among quoted manufacturing companies in Nigeria. This is with the view to examining the impact corporate social responsibilities on price earnings ratio, dividend yield, earning per share and return on investment among quoted manufacturing companies in Nigeria. Based on the findings of our analyses, this study concludes that corporate social responsibilities is influence on price earnings ratio, dividend yield, earning per share and return on investment of the selected quoted manufacturing firms in Nigeria.

Recommendations

In view of the findings of this study, policy implication and conclusion, the following recommendations were made.

- Nigerian manufacturing firms should pay attention on corporate social responsibilities which serves as a new driver in all emerging markets across the world

- The activities, products and services of the organization should be eco-friendly. This can be achieved through excellent customer service delivery, low tariff rate and other social package that can be of great benefit to their immediate environment as this serve as a means of giving back to the society. Furthermore, as part of its social responsibility, awareness-raising activities and campaigns about environmental benefits and sustainability should be supported by society. The organization should support the government in its drive towards infrastructural facilities and sustainable environment.

- There is a need for the studied organization to increase its priority on actions that improve on community wellbeing; this has been shown in the study as having the highest degree of positive association with market competitive success.

- Top management should improve its record of environment activities by carrying out workplace safety initiatives, enhance the health of community dwellers, and reduce operational impact on liberal education and grants and aids in the guild.

- Management should create an enabling business environment where there is respect for sociocultural values and societal norms, equal chances and approach for all sexes, fairness and integrity in dealing with employees and customers, transparency and fairness to members of the public and employ a merit basis for granting contracts.
- A firm must show concern to the staff working conditions by practicing flexible working hours, equitable compensation, ensuring prompt promotion and internal advertisement, and striking a balance between work and family demands of employees.

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