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Thematic Exploration of Corporate Social Responsibility (CSR) Issues: Origins, Twists and Turns, and Evidence from Nigeria's Oil and Gas Industry

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Abstract:

This paper discusses the corporate social responsibility, its origins, twists and turns, as well as some impacts and evidence from oil and gas industry in Nigeria. Efforts were made in capturing and integrating some global evolutionary and historical phases of attitudes towards social responsibility starting from Adam Smith's (1776) wealth of Nations perceptions, Milton Friedman (1970), Carroll (1991), Claydon (2011), and recent perspectives. Some areas relating to corporate social responsibility debate, and the views reconciliation were examined. Empirical evidences from oil and gas companies' corporate responsibility positive impacts on host communities lives were also explored and statistically examined. We conclude amongst others that corporate social responsibility engenders mutual cooperation and socio-economic development. Corporate organizations should be environmentally sensitive and people-friendly, such helps to minimize conflicts and enhancement of operational environment sustainability as recommended herein.

Keywords: Thematic exploration, corporate social responsibility, origins, twists and turns, oil and gas industry, Nigeria

1. Introduction

Corporate social responsibility (CSR) as a development policy and strategy intervention concept has historically and increasingly gained currency in global recognition and acceptability for a very long time in policies, academia and business world. The origins and emergence of CSR are shrouded in socio-economic, cultural and environmental explanatory controversy among the proponents of the concept. However efforts have been made in this paper to capture and integrate some global historical perceptions and literature on CSR origins and evolution. Due to its dynamic nature and various conceptualizations in different business operating environments and society, varying definitions of the concept have evolved in literature. In the process of examining the development of CSR since the inception, related paradigm shifts phases modellings, different views, twists and turns are emerging and some lessons learned to that effect. In addition, different schools of thoughts on CSR have emerged, as well as the reconciliations of views and evaluations of corporate performances in the arena of private and public business operating environments and society at large.

As a result of rapid global industrialization, many corporate organizations have witnessed unprecedented socio-economic growth and development, as well as environmental degradations, which have necessitated the drive and urgent need for the business organizations to be proactive, responsible and positively impact on the lives of their host communities'/members and society. These CSR mainstream needs are suggested to be the panacea to sustainable environment development of the respective concerned communities and society. Corporate organizations have used CSR to attract various conceptual strategic approaches in order to ameliorate the resultant environmental degradations to suit the relevant needs of the work communities concerned and society, as well as achieving the social, economic and environmental imperatives balance.

In practice and relation to the view of Chikwe (2012), CSR is a set of standards by which organizations can positively impact their operating environment with the innovation potential and creating sustainable economic growth and developments. The CSR conceptualization motives are products of the prevailing socio-cultural, economic and political priorities of the company-host communities' relationships, and realities. In some cases also, available relevant evidences suggest that until recently, the evolution, adoption and development of CSR policies and strategies within Nigeria's oil and gas industry in specific, were a calculated defensive strategy adopted by the multinational companies (MNCs) to help reduce costs of operation, mitigate and minimize reputation damaged resulting from frequent community strife (Idemudia and Ite, 2006; Chikwe, 2012, Chikwe and Zeb-Obipi, 2017). To ameliorate this ugly situation in Nigeria, a strategy of Corporate-Community Relations (CSR) in Nigeria's oil and gas industry was crafted, and this became an integral part of CSR umbrella initiative in the oil and gas producing region of Nigeria.

1.1. Purpose and Objectives of the Study

In this CRS thematic exploration, the umbrella purpose of study is to examine the origins, twists and turns, and some lessons learned from Nigeria's oil and gas industry, with specific objectives of issues imperatives bothering on:

- Origins and emergence of CSR
- Historical phases of attitudes toward social responsibility
- CRS debate: arguments for and against CRS
- Reconciliation of views for and against CSR
- A managerial dilemma
- Some specific evidences from Nigeria's oil and gas industry

2. Literature Review

Related literature survey and review are the obvious first step in a research study exploration. One gains something from finding a new thing out of what is already known. Review of related literature establishes the basic theoretical framework for the study and usually gives rise to further investigation of what is capable of advancing the research (Chikwe, 2012). Fubara and Mungi (2005) opined that, basically, it is necessary for a research endeavour to be founded on solid grounds and one of such grounds is the history of the phenomenon being investigated. They noted that all methods of social science research are guided from its origin and explanation of phenomena. In view of these, our literature view starts by tracing the origins and emergence of CSR and historical phases of attitudes towards social responsibility amongst some other CSR impacts perspectives.

2.1. Origins and Emergence of Corporate Social Responsibility (CSR)

Issues relating to the impact of corporate organizations on their operating environment and society have been on discussion, even before the idea of any definition of CSR was conceptualized. The dominant ideology traceable from history was the role of ethics relating to Adam Smith's (1776) assertion of self-regulating free market economy by means of "invisible hand", which implies that, an individual's self-interested goals will inevitably result in a democratic capital system (Clayou, 2011). In examining the evolution and historical attitudes towards social responsibility, Surdyk (2006) notes that, after the death of Frederick Winslow Taylor in 1917, Henry Lawrence Gantt decided to distance himself further from the core principles of scientific management and extended his management interests to the function of leadership and the role of the company itself.

As Gantt's thinking developed, Surdyk (2006) expressed that Gantt started to believe increasingly that management had obligations to the community at large, and that the profitable organization had a duty towards the welfare of society. In the areas of organizing for work, Gantt argued that there was a conflict between profits and service, and that the businessman who says that profits are more important than the service he renders has forgotten that his business system had a foundation in service; and as far as the community is concerned, has no reason for existence, except the service it can render (Chikwe, 2012). These concerns according to Chikwe led him to assert that, 'the business must accept its social responsibility and devote itself primarily to service or the community will untimely make an attempt to take it over in order to operate it in its own interest: Surdyk (2006) further noted that Gantt was highly influenced by the events in Russia in 1917 and, in fear that big business was sacrificing service to profit: he accordingly began to attack the profit system itself, calling for public service corporations to ensure service to the community. It is important to note that this service to the community is related to the emergence and concept of nowadays CSR. In a related development and in tracing the origin, emergence and chronicles of CRS, Surdyk (2006) expressed that, Global greenhouse emissions were on the increase and disease wreak havoc across entire continents. The issues confronted governments throughout the world, who were sometimes unable to effect positive changes. With the emergence of companies taking the posture of the most powerful institutions for innovation and social change, more stakeholders (i.e. shareholder, regulators, customers, and corporate partners) became increasingly interested in understanding the impact of these organizations regular activities upon the community and its natural resources. It was further noted that the importance of these organizations in addressing trade imbalances, income inequality, resource degradations and other issues was clear. The foregoing is another trace of the origin and historical emergence of CSR concept. As the Noble laureate Milton freedman's (1970) notion that companies' only responsibility is to make profit is challenged, company executives were increasingly seeking ways to combine economic gain with social well-being in ways that will provide more customer loyalty, better relationships with regulators and a host of other advantages (Surdyk, 2006). CSR is age-long and the practices may in fact, prove pivotal to the success of a company, and it is sometimes described simply as "doing well by doing good".

The concept of social responsibility of business managers in recent years has become a topical and popular subject of discussion and debate within both business and academic circle. A look back through history reveals that people have always held some concept of responsibility owed by business management to society (Chikwe, 2012). This is related to what Sheldon (1996) asserted that, management has a social responsibility. His basic philosophy is summarized as follow; "it is important, therefore early in our consideration of management in industry, to insist that however scientific management may become, and however much the full development of its powers may depend upon the use of scientific method, its primary responsibility is social and command".

2.2. Historical Phases of Attitudes towards Social Responsibility

The concept of social responsibility has moved three distinct phases (Hay, Gray and Gatis, 1976, and Chikwe; 2012).

2.2.1. Phase One

This is called the profit maximizing management and the belief that managers have but one objective-to maximize profits. The origin of this was in Adam Smith's (1776) *Wealth of Nations*. Smith believed that each individual businessman acting in his own self-interest would be guided by an invisible hand to promote the public good. At there was much economic activity and emphasis was on profit maximization which was also seen as a vehicle for eliminating economic scarcity. In the process, few questions were raised about expending natural resources, polluting streams and land, employee abuses, unsafe products and poverty problems of minority groups.

2.2.2. The Second Phase

This is called the trusteeship management concept, which believe that corporate managers were responsible not simply for maximizing stockholders wealth, but also for maintaining an equitable balance among competing claims of customers, employees, suppliers, creditors and the community, as well as stockholders. Two structural trends responsible for this newer view of social responsibility as observed by Hay, Gray and Gatis, (1976) were:

- The increasing diffusion of ownership of the shares of American corporations.
- The development of a pluralistic society.

2.2.3. Phase Three

This phase was called the quality of life management and environment concerns concept of social responsibility. This is still dominant today and contends that managers and organizations have a responsibility to involve themselves in the solution of society's major problems. The primary reason for the emergence of this concept is the very significant metamorphosis in social goals which the nation then experienced. In the process, the U.S. had become an "affluent society" in which the scarcity of basic goods and services was no longer a problem. There was therefore economic abundance in the midst of a declining social and physical environment. As a result, a new set of national priorities, which stress the quality of life and environmental sustainability, appeared to be emerging (i.e. social responsibility and social wellbeing with environmental sustainability).

2.3. The Corporate Social Responsibility Debate

In examining some available literature on corporate social responsibility (CSR), there abound many suggested reasons both for and against business assumption of social responsibility. As a result of the increasing amount of rhetoric which exist on this all-important socio-economic subject, it is epistemologically appropriate to examine these reasons thoughtfully when the necessity to make decisions and choices in the area comes up (Chikwe, 2012).

Friedman (1970), who follows the classical economic doctrine of a free market, argues against the idea of social responsibility. He contends that, "few trends could so thoroughly underline the very foundations of one free society as the acceptance by corporate officials of a social responsibility other than to make as much money for their stockholders as possible". According to Friedman (1970), there is one and only one social responsibility of business: to use its resources and energy in activities designed to increase its profits so long as it stays within the rules of the game, and engages in open and free competition, without deceit and fraud. Friedman contends that corporate officials are in no position to determine the relative urgency of social problems or the amount of organizational resources that should be committed to a given problem. Friedman insisted that managers devote corporate resources to pursue personal, and perhaps misguided notions of the social good, unfairly tax their own shareholders, employees, and customers. In short, Friedman argues that business should produce goods and services efficiently and leave the solution of social problems to concerned individuals and government agencies. Friedman also contended that organizations may help improve the quality of life as long as such actions are directed at increasing profits.

Bateman and Snell (2002), argued that, the two basic and contrasting views about which principles should guide managerial responsibility are common. The first as they contend is critical of the broad domain of corporate social responsibility, it holds that managers act as agents for shareholders and, are obligated to maximize the present value of the firm. These critics argue that, in capitalistic society, economic performance is an organization's primary social responsibility. If corporations do not serve shareholders first, they will fail to serve society. Society relies on the profit incentive to motivate organizations to create jobs and make investments. Bateman and Snell (2002), further advanced that without investments, economic growth is impossible, however some considered Friedman to be "the enemy of business ethics", but this position was ethical. Friedman believed that, it was unethical for unelected business leaders to decide what was best for society, and unethical for them to spend shareholders' money on projects unconnected to key business interests (Witzel, 1999). Management's duty to pursue profit is not absolute as noted by Bateman and Snell (2002). The business judgement rule as expressed allows management wide latitude in policy if the policy can be justified.

Analyzing the various views on social responsibility advanced, both Friedman (1970) and Carroll (1991), argue that, positions are based on the impact of social responsible actions on a firm's profits. Friedman says that social responsible actions hurt a firm's efficiency. Carroll proposes that lack of social responsibility results in increased government regulations, which reduce a firm's efficiency (Chikwe, 2012).

However, research is mixed regarding the effects of social responsibility on corporation's financial performance. Although, a number of research studies find no significant relationship (Carroll and Hatfield, 1985; Rechner and Roth, 1990; McWilliams and Siegel, 2000). Nevertheless, an increasing number of research studies are finding positive relationships (Waddock and Graves, 1997; Russo and Fouts, 1997; and Meyer, 2000). Wheden and Hunger (2004) asserted that, being known as a socially responsible firm may provide a company a competitive advantage. They noted for example, that companies that take the lead in being environmentally friendly, such as by using recycled materials, preempt attacks

from environmental groups and enhance their image; also programs to reduce pollution for instance, can actually reduce waste and maximize resource productivity.

Other related examples of benefits received from being socially responsible among others (Chikwe, 2012) include:

- Their environmental concerns may enable them to charge premium prices and gain brand loyalty
- Their trustworthiness may help them generate enduring relationships with suppliers and distributors without needing to spend a lot of time and money policing contracts.
- They can attract outstanding employees who prefer working for a responsible firm.
- They are more likely to be welcomed into a foreign country.
- They can utilize the goodwill of public officials for support in difficult times.
- They are more likely to attract capital infusions from investors who view reputable companies as desirable long-term investments (Barney and Hausen, 1994; Preece, Fleisher and Toccacelli, 1995 ; Turban and Greening, 1997)

Having noted these, a summary of major arguments for and against social responsibility of corporate is hereunder advanced. This led us to examine some specific arguments against corporate social responsibility (McGuive, Sundgren, and Schneewis, 1998; Stroups; Neubert and Anderson, 1987 and Chikwe, 2012).

2.4. Arguments against Corporate Social Responsibility

2.4.1. Costs

Many socially responsible actions do not cover their costs. Someone has to pay those costs. Business must absorb the costs or pass them on to consumers through higher prices (Robbins and Coulter, 1999).

2.4.2. Loss of Efficiency

Classical economists argue that business enhances public welfare when it reduces costs and improves efficiency in its effort to maximize profit. Even though business persons are selfishly motivated in their drive for profits, competition forces them to behave in the public interest in the long run by reducing costs and prices. Classifiable economists argue that business persons are more socially responsive when they adhere strictly to their economic interests and thereby achieve economic efficiency in the allocation of scarce economic resources. In contrast, if executives use resources for social purposes, they will have to rely on directives from sources other than the free market in allocating scarce resources to alternate uses. Without the discipline and direction of market stimuli in the allocation of social resources, business persons lack appropriate criteria for the direction of those resources. Since the function of business is economic, economic values, rather than social, should be the only criteria used to measure success and direct the use of resource. The use of social criteria will cause loss of economic efficiency (Chikwe, 2012).

2.4.3. Management Incompetence

Since society's resources are limited, there is a need to set social priorities because not all social goals can be achieved at once. Sometimes unreasonable social expectations do not allow for the appropriate establishment of priorities among social goals. In either case, there is a severe question concerning the right of private management to make decisions concerning social priorities in the allocation of social resources. Consequently, even if social concerns are brought within the purview of management without loss of economic efficiency, managers are not likely to correctly identify and effectively deal with social problems due to incompetence to handle such

2.4.5. Loss of Legitimacy

The historical character of the business firm has been one of a private entity dealing with private property. When managers divert business property into any activity, other than furthering the economics interests of the business owners, they are effectively depriving the owners of their property and thereby weakening the justification both for the managers own authority and for the existence of the organization itself. Thus, any attempt to transform the business into a more public institution, one acting on some concept of the "public interest" and governed by political processes, only serves to question the legitimacy of the forms as a private entity.

2.4.6. Threat of Political Pluralism

Even if businesses are able to expand their scope of social responsibility without excessive loss of economics efficiency, without talking on tasks for which they are totally incompetent, and undermining their status of legacy, opponent of the social responsibility doctrine insist that it constitutes a threat to social and political pluralism and freedom (Fredrick, 2003).

2.4.7. Lack of Accountability

It is contended that business managers have no line of accountability to the people. In view of that, it would be unwise to give managers responsibility for areas where they are not accountable. Accountability should always go with responsibility and it is poor social control to allow any other kind of management. Unless society can develop mechanisms which would establish direct line of social responsibility from business to the public, business must stand clear from social activities and pursue only its goals to profit

2.5. Argument for Corporate Social Responsibility

Proponents for expanded scope of social involvement by business expressed that there are potential benefits for society and for business. They generally imply that business firms can be effective producers of economic values as well as effective socially minded citizens (Fulmer, 1999; Gellerman, 2002; Frederick, 2003; Elizabeth and Carroll, 2005; Chikwe, 2012).

2.5.1. Changed Societal Expectations

In the mid-1930s, the social responsibility concept was articulated, and that the business firms' primary objective is service, not profits. By producing utility for society, society allows the firm to exist. While the stockholders objective may be to maximize return, the profit gained by investors is only collateral side effect of achieving the firm's service objective. Similarly, the wages of labour, the interest of financials, and so forth, are collateral stemming from the firm's successful accomplishment of its primary service objectives when any collateral objective, whether profits, wages, or managerial benefits, is elevated above and imposed on the primary service objective, the long-term survival of the firm is threatened. Thus, the major argument for business assumption of an expanded involvement is the changing needs and expectations of society (Gellerman, 2002).

2.5.2. Public Image

In this regard, Robbins and Coulter (1999), advocated that firms seek to enhance their public image to get increased sales, better employees, access to financing, and other benefits because the public considers social goals as important, business and creates a favourable public image by pursuing social goals and conducive community-company relationship. It is contended that government regulations add economic costs and restrict managers' decision. By becoming socially responsible, business can expect less government regulations.

2.5.3. Discouragement of More Government Regulations

Many argue that if business is socially responsive the need for additional regulation of the business system by government will be reduced (Milton, 2002; Fredrick, 2003; Elizabeth and Carroll, 2005; Chikwe, 2012). With reduced regulation, business will be free to adopt different courses to solving problems, and decision making itself will be decentralized in keeping with our political philosophy.

2.5.4. Long-run Profits

Socially responsible businesses tend to have more secured long-run profits. This as noted is the normal result of the better community relations and improved business image that responsible behavior brings. An increasing number of research studies found a positive relationship between social responsibility and financial performance (Waddock and Groves, 1997; Russo and Flouts, 1997; Meyer, 2000).

2.5.6. Better Environment

Business involvement can help solve difficult social problems, helping create a better quality life and environment, and a more desirable community, in which to attract and keep skilled employees.

2.5.7. Inadequacy of Regulatory Technique

Stone (1995) stressed that law is not an adequate control of institutional behavior, because laws are designed to control individuals. Moreover, he argued that the inadequacy of present regulatory techniques produced their adoption as the primary means of achieving responsible corporate behavior. Elizabeth and Carroll (2005), argued that, the lawmaking process itself suffers from time lag problems in identifying behaviour that should be outlawed. The legal process also operate under an information gap because the government seldom knows as much as corporate official (Chikwe, 2012).

2.5.8. Viability of Business

Society gave business its charter to operate and exist, the charter could be amended or revoked at any time that business fails to live up to society's expectations. As expressed by Keith (1979, in Chikwe 2012), the iron law states that in the long run, those who do not use power in the way society considers responsible will tend to lose it. As a result, if business wished to retain its present social role and social power, it must respond to society's needs and give society what it wants. In view of these, the need for viability of any business cannot be overemphasized

2.5.9. Socio-Cultural Norms

Norms are established standards of behaviour by a society. In order for norm to become significant, it must be widely shared and understood. Research shows that cultural norms are powerful determinants of behaviour. Culture affects not only the way managers behave within an organization, but also the decisions they make about the organization relationships with its environment and its strategy (Singh, 2004). As societal norms change, the manager's behaviour will change. As society moves towards norms of social responsibility, the manager is subtly and inevitably guided by these same norms, and his decisions are influenced towards a socially defined behaviour.

2.6. Reconciliation of Views for and Against Corporate Social Responsibility

As expressed by Bateman and Snell (2002), these views for and against CSR were regarded as antagonistic, leading to opposing policies. But now, in a more "ethicized" business climates, the two views can converge. In their own

contribution, Reitz, Wall and Love (1998), opined that, the argument that ethical behaviour is both right and more profitable is more common today than in the "greed decade" of the 1980s. It is to be noted that the earlier attention to corporate social responsibility focused on alleged wrongdoing and how to control it. More recently, attention has been on the possible competitive advantage of socially responsible actions, including financial success and consumer purchase reputations, which in turn makes them more attractive employers, and they attract more applicants (Turban and Greening, 1977). Thus, corporate social responsibility can provide competitive advantage by helping to attract and perhaps retain superior employees.

Socially responsible actions by corporations can have other long-term advantage for organizations. Organizations can avoid unnecessary and costly regulations if they are perceived as social responsible. As expressed by Bateman and Snell (2002), "honesty and fairness, including admitting mistakes; apologizing genuinely, quickly, and sincerely; and making up for the mistake, may pay great dividends to the conscience, to the personal reputation, to the public image of the company, and to the market response". In addition, society's problem, can offer business opportunities, and profits can be made from systematic and vigorous efforts to solve these problems. In other words, it can pay to be good (Waddock and Smith, 2000).

2.7. A Managerial Dilemma

In this modern era, neither the traditional economic model nor the social responsibility model is completely satisfying for managers. Operating according to the traditional economic model subject the firm to all the criticism usually associated with "profit only" decision making. The economic model simply does not describe reality or offer acceptable perceptive behaviour for business under modern social conditions.

Unfortunately, the social responsibility model, as developed to date, also suffer from serious operational problems. It offers no simple decision-making rules for socially minded managers. Confronted by multiple social and economic objectives without defined priorities, some socially responsive managers suggest that appropriate social responsibility models can provide sincere and specific guidance to solve the current problems of poor leadership transparency and poor accountability in management of resources in Nigeria, and other countries as well as choosing the appropriate response. Hence, choosing the model for the business firm to follow is a managerial dilemma. Despite the observed underdevelopment of effective managerial models, social problems will continue to confront business and such will demand for proper leadership transparency and accountability and appropriate managerial response precisely, and in view of the lack of sincere and specific techniques, value-laden decision making manager must grope for solutions (Chikwe, 2012).

3. Methodology

The study adopted a documentary literature method. As succinctly opined by Baridan (2001), the nature and purpose of study should dictate the method to be adopted in any study. In relation to this assertion, we explored the existing and thematic related literature in order to achieve our set objectives of the study

3.1. CSR Evidence from Nigeria's Oil and Gas Companies Operating Environment

From a corporate social performance audit conducted in Nigeria by the partners for sustainable development (PSD), (2006), it was argued that, companies tend to embark on projects that are neglected by government. However, the issue of the host community expectation and needs appear to influence the type of projects undertaken by corporate organizations. Most of the projects have the focus to develop human capabilities to help individuals optimize their abilities and excel in life. Also, the PSD commented that most projects are undertaken because of the ecological or environmental and social consequences of corporate activities.

Similarly, a view of study of corporate social responsibility and organizational effectiveness of oil companies in Nigeria (Chikwe, 2012), indicate that such strategic issues as education and skills acquisition, social and health infrastructure development, and economic empowerment and development are some of the major foci of corporate social projects relatedly executed by oil and gas companies in their operating environment in Nigeria; and these positively and significantly impacted on lives of the most communities' members (Chikwe, 2012). Part of the results of the study in the respective tables 1, 2 and 3 below indicate the impact of CSR dimensions and components on the oil companies' organizational effectiveness measures in the study area (Chikwe, 2012).

For ease of presentation, analysis and interpretation understanding, the posited hypotheses according to Chikwe (2012) were grouped into:

- Those relating CSR education / skill acquisition dimensions with organizational effectiveness measures of oil companies in Nigeria
- Those relating CSR Social / Health infrastructure development / dimension with Organizational effectiveness measures of oil companies in Nigeria
- Those relating economic empowerment and development dimensions and organization effectiveness measures of oil companies in Nigeria

3.2. Hypotheses on Education / Skills Acquisition and Organizational Effectiveness

- H_{01} : There is no significant relationship between scholarship awards / school projects / programmes / and community-company integration

- H₀₂: There is no significant relationship between scholarship awards / school projects programmes and human and material resource safety
- H₀₃: There is no significant relationship between scholarship awards / school projects programmes and minimum conflict
- H₀₄: There is no significant relationship between provision of vocational skills and community-company integration
- H₀₅: There is no significant relationship between provision of vocational skills and human and materials resources safety
- H₀₆: There is no significant relationship between provisions of vocational skills and minimum conflict

Predictor	Statistic	Criterion		
		C-CI	HMRS	MC
Scholarship award and school project	Rho	.536**	.730**	.619**
		H ₀₁	H ₀₂	H ₀₃
Vocational Skills provision	Rho	.294**	.560**	.406**
		166**	H ₀₅	H ₀₆

Table 1: Results of Hypotheses Tests on Education / Skills Acquisition Components of CSR and Measures of Organizational Effectiveness (OE)

** = Correlation is significant at 0.01 level (2-tailed); $p < 0.01$; SPSS Output

Rho = Spearman's Rank Order Correlation Coefficient

C-CI = Community- Company Integration

HMRS = Human and Material Resource Safety

MC = Minimum Conflict

The hypotheses on components of Education / Skill Acquisition and the measures of Organizational Effectiveness were tested, using Spearman's Rank Order Correlation coefficient statistic (Rho), with the aid of Statistical Package for Social Science (SPSS), at 0.01 level of significance. The results on scholarship awards and school projects as components of CSR dimension and C-CI, HMRS and MC as measures of OE, produced coefficient values of .536, .730 and .619 respectively, $p < 0.01$. This implies that the extent of the provision of scholarship awards and school projects through CSR strategy by oil and gas companies creates moderate to strong correlation and conducive operating environment, as a result of the integration and embeddedness relationship with the host communities. On the results of the hypotheses between vocational skills provision through CSR programmes and C-CI, HMRS and MC, the coefficient values are .294, .560 and .406 respectively, at $p < 0.01$. This implies that the association between vocational skills and C-CI is a weak one, vocational skills moderately associates with HMRS, and moderate association with MC (Chikwe, 2012). These results are in line with PSD (2006), Forester (2000) and Ugochukwu (2002) contention that, the need to provide education and vocational skills to youths of host communities enhanced the provision of enlightenment as well as helping in engaging their minds positively.

3.3. Hypotheses on Social / Health Infrastructure Development and Organizational Effectiveness

- H₀₇: There is no significant relationship between the provision of water projects and community-company integration
- H₀₈: There is no significant relationship between the provision of water projects and human and materials resource safety.
- H₀₉: There is no significant relationship between the provision of water projects and minimum conflict.
- H₀₁₀: There is no significant relationship between the provision of road / recreation facilities and community-company integration.
- H₀₁₁: There is no significant relationship between the provision of road / recreation facilities and human and materials resource safety
- H₀₁₂: There is no significant relationship between the provision of road / recreation facilities and minimum conflict
- H₀₁₃: There is no significant relationship between the provision of health facilities and community-company integration.
- H₀₁₄: There is no significant relationship between the provision of health facilities and human and materials resource safety.
- H₀₁₅: There is no significant relationship between the provision of health facilities and minimum conflict

Predictor	Statistic	Criterion		
		C-C1	HMRS	MC
Water projects	Rho	.644** H ₀₇	.524** H ₀₈	.640** H ₀₉
Road /Recreation Facilities	Rho	.567** H ₁₀	.501** H ₁₁	.533* H ₁₂
Health Facilities	Rho	.406** H ₀₁₃	.928** H ₀₁₄	.244** H ₀₁₅

Table 2: Results of Hypotheses Tests on Social / Health Infrastructure Development Components of CSR and Measures of Organizational Effectiveness (OE)

On the set of hypotheses tested on water projects as CSR impacts and measures of OE, water projects correlate with C-CI, HMRS and MC with coefficient values of .644, .524 and .640 respectively, at 0.01 level of significance and $p < 0.01$. These imply that CSR strategy projects impact positively on OE and this as well produce conducive operating environment and relationship with the host communities of oil and gas companies. On the set of hypotheses relating road / recreation facilities projects as CSR strategy, the results show that, coefficient values between road / recreation projects and C-CI, HMRS and MC are: .567, .501 and .533 respectively at 0.01 level of significance, and $p < 0.01$. These indicate significant and moderate associations (Chikwe, 2012).

The results on the set of hypotheses between social / health facilities provision dimension arising from CSR performance and measures of organizational effectiveness as a product of CSR involving community-company integration, human / material resources safety and conflict minimization at 0.01 level of significance and $p < 0.01$, produced coefficient values of .406, 928 and .244 respectively. These indicate a significant and moderate and strong association between health facilities and community-company integration, human / material resources safety, and a significant weak association between health facilities and minimum conflict manifestation, as a result of the positive impact of CSR on the lives of the host community members (Chikwe, 2012). These results directly correspond with the facts in Cassel (2000), that a project objective is effectively achieved when it meets the real and practical needs of target beneficiaries; in addition to Ugochukwu's (2002) and Iruonagbe's (2008) contention that supports our results that, projects that bring hope, physical mobility, and engage minds positively, have strong potency in youth's harmony.

3.4. Hypotheses on Economic Empowerment Development Components of CSR and Measures of Organizational Effectiveness

- H₀₁₆: There is no significant relationship between the provision of entrepreneurial development programmes and community-company integration.
- H₀₁₇: There is no significant relationship between the provision of entrepreneurial programmes and human and material resources safety.
- H₀₁₈: There is no significant relationship between the provision of entrepreneurial programmes and minimum conflict.
- H₀₁₉: There is no significant relationship between the provision of loans for SMEs and community-company integration.
- H₀₂₀: There is no significant relationship between the provision of loans for SMEs and human materials resource safety.
- H₀₂₁: There is no significant relationship between the provision of loans for SMEs and minimum conflict.

Predictor	Statistic	Criterion		
		C-C1	HMRS	MC
Entrepreneurial programme	Rho	.561** H ₀₁₆	.522** H ₀₁₇	.508** H ₀₁₈
Loans for SMEs	Rho	.587** H ₀₁₉	.515** H ₀₂₀	.522** H ₀₂₁

Table 3: Results of Hypotheses Tests on Economic Empowerment Development Components of CSR and Organizational Effectiveness Measures

Table 3 above shows the results on the test of hypotheses involving entrepreneurial programmes and community-company integration: human / material resource safety; and minimum conflict, and these according to Chikwe (2012) produced the following coefficient values: .561, .522, and .508 at 0.01 level of significance and $p < 0.01$ respectively. This implies that the provision of entrepreneurial support programmes (through CSR initiatives) is significant and has moderate association with all the measures of organizational effectiveness (OE).

Similarly, the results of the tests involving loans for SMEs development as parts of CSR initiatives and measures of organizational effectiveness, produced the following coefficient values: .587, .515, and .522 for community-company integration, human and material resource safety, and minimum conflict at 0.01 level and significant, $p < 0.01$ respectively (Chikwe, 2012). These results relatedly correspond with the arguments of Spreitzer (1997), Hollander and Offerman (1990) and Udeh (2008), that, empowerment breeds sense of hope, meaning of life and progressiveness among individuals.

In order to give credence to the influence of moderating variable (organizational culture) on the relationship existing between the predictor (CSR) and criterion (OE) variables, the partial correlation analysis was done using SPSS software. The partial effect of organization culture (OC) on the relationship between CSR and OE indicate some level of significance and from weak to strong association with respective CSR components and measures of OE.

4. Conclusions

The present study has been able to explore some aspects of CSR origins, twists and turns, as well as capturing some empirical evidences from related CSR studies involving Nigeria's oil and gas industry. It is our conclusion that CSR as seen is a development intervention strategy and policy and should be encouraged. We also conclude that CSR programmes engender mutual cooperation, education and skills acquisition, social integration and minimal conflict relationship between host communities and corporate organizations.

5. Recommendations

Our study recommends that corporate organizations should be proactive and sincere in executing host communities' needs oriented projects arising from CSR programmes. Corporate organizations should also be environmentally sensitive and people-friendly in their operational activities in order to minimize conflicts and enhance operational environment sustainability.

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