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Corporate Social Responsibility: towards a Context-Specific perspective in the developing Countries

Wilson Ozuem. Kerry Howell and Geoff Lancaster

ABSTRACT

Widespread external perceptions that a firm that has acted in a socially irresponsible manner can have negative consequences for a firm, since an organisation's success – indeed it survives - depends, in part, on satisfying normative expectations from its environment. A great deal of study have noted that understanding corporate social responsibility tend to be contextually bounded, and should be divorced from the mechanistic Western perspective prevailing in most extant literature. Despite this context-specific notion to CSR relevance, there is an overwhelming dominance of understanding of CSR from the Western perspective. The current study focuses on the practices of CSR in sub-Saharan Africa and the perceptions discussed are rooted in the eyes of the beholder. Drawing on the qualitative research methodology, this paper examines the practices of corporate social responsibilities in Sub-Saharan Africa. It proposes that socially responsible investment could promote and facilitate business cohesion between corporations and the various communities.

INTRODUCTION

Widespread external perceptions that a firm that has acted in a socially irresponsible manner can have negative consequences for a firm, since an organisation's success – indeed it survives - depends, in part, on satisfying normative expectations from its environment (Scott, 2008; Lange and Washburn, 2012). Over the past three decades, corporate social responsibility (CSR) has grown from a narrow and often marginalised notion into a complex and multi-faceted concept; one that is increasingly central to much of today's corporate decision making (Cochran, 2007; Dahlsrud, 2006; McWilliams and Siegel, 2001). Increasingly, the notion of CSR is being given considerable attention in business as well as the academic community (Weaver et al., 1999; Kok et al., 2001; Jobber 2009). Within the academic community, this interest has given rise to a number of studies on corporate social responsibilities (Carroll and Shabana, 2010). Many of these studies have been focused and grounded on Western assumptions on the nature and management of corporate social responsibilities (Muthuri and Gilbert, 2011). Current understanding of the level of socially responsible practices has been grounded on Western orientations. However, these studies have failed to articulate the perspectives of the communities within which these businesses are being conducted, especially in Sub-Saharan Africa. The objective of this study is to examine the level of socially responsible investments within Sub-Saharan Africa, particularly in the Niger Delta region of Nigeria. The issue of social responsibility is becoming a theme for organisations that are serious in their approach towards business excellence. Employees, competitors and government are all placing increasing demands on management. Expectations of stakeholders not only relate to direct transactions between parties, but there is now an expectation that

management participates in the debate on societal problems (e.g. pollution, poverty, health and unemployment) and to think proactively about the effects of the business on society at large (Preston, 1995; Kok et al., 2001; Banerjee et al 2003; Foran, 2001; Vaaland et al 2008).

There is much debate in the literature over what constitutes corporate social responsibility and what can be defined as corporate social responsibility (Haigh and Jones, 2006; Kok, 2001; Dahlsrud, 2008). These debates have given rise to different disciplinary epistemological perspectives in the study of corporate social responsibility. For example, McWilliams, Siegel and Wright (2006) identified a number of theoretical perspectives on corporate social responsibility; (Friedman (1970) identified agency theory; Donaldson and Preston (1995) stakeholder theory; Jensen and Meckling (1976); Fama and Jenson (1983) agency theory; (Jones (1995) stewardship theory; Hart (1995) a resource-based view of the firm; Jennings and Zandbergen (1995) institutional theory; Baron (2001) theory of the firm; Waldman et al (2004) strategic leadership theory. Following McWilliams et al (2006) review, our study relies on stakeholder theoretical perspectives. A stakeholder-oriented perception holds that organisations exist within networks of stakeholders, face potentially conflicting demands of these stakeholders, and translate the demands into CSR objectives and policies (Lindergreen and Swaen, 2010). From these considerations, stakeholder theory holds that there is more than just a relationship between an agent who has fiduciary responsibility to a principal; there are third parties to whom the corporation owes morally significant non-fiduciary obligations (Lantos, 2001). Notably, Graves et al (2001) have suggested that ‘these duties exist because, like stockholders, these other stakeholders also make investments in enterprises, employees

invest their time and intellectual capital, customers invest trust and repeated business, communities provide infrastructure and education for future employees as well as tax support and so on. Lantos (2001) delineated four different distinctions of stakeholders' groups: first, is the systemic/macro-environmental level i.e. larger societal factors, including the entire business system, plus society at large, which consists of institutions and forces such as economic, legal, political, technological, natural, media and socio-cultural forces. The second level of stakeholders is the corporation micro-environment i.e. its immediate environment, consisting of exchange relationship partners (such as suppliers and distributors) plus competitors, customers, the local community and the financial community. The third level of the stakeholders is found within the business organisation, notably superiors, subordinates, other employees and trade unions. Fourthly, there are a significant number of business decision makers, such as peers, family, friends etc.

Against this background, the current study considers how multinational companies' CSR policies and practices within the Niger Delta communities consider these four levels of stakeholders. This paper is empirical in nature: it examines the issue of CSR in developing countries, with particular focus on the Niger Delta region of Nigeria. The primary objective is to examine how the host community derives tangible benefits from multinational corporation CSR policies and practices in the oil exploitation region of Niger Delta.

CSR AND THE NIGER DELTA

According to proponents of CSR, the typical large US corporation is inherently a social institution as well as an economic enterprise, so businesses should weigh the social consequences of their activities, balancing carefully conflicting responsibilities to various stakeholders (Lantos, 2001). A central issue in corporate social responsibility is that of a company's responsibility to the society and physical environment (Eweje, 2006). Kok et al (2001) broadly defined corporate social responsibility as:

'The obligation of the firm to use its resources in ways to benefit society, through committed participation as a member of society, taking into account the society at large, and improving welfare of society at large independently of direct gains of the company'.

Looking at CSR from the point of view of the company; there are at least two levels of actions related to corporate social responsibilities, as defined by Kok et al. (2001). These positions are:

- Obligations of the firm: companies are obligated to use their resources in the development of the society;
- Improving welfare: companies are socially responsible for the improvement of social welfare. This interest in social welfare provides some strategic weapons in interacting and communicating with society.

According to this view, it is not sufficient for managers to focus exclusively on the needs of stockholders or the owners of the corporation. Stakeholder theory implies that it can be

beneficial for the firm to engage in certain CSR activities that non-financial stakeholders perceive to be important, because apart of this, these groups might ‘withdraw their support for the firm’ (McWilliams et al 2006). The issue of CSR is becoming a major issue in Sub-Saharan Africa. This interest is principally due to the execution of Ken Saro Wiwa, the socially responsible human rights campaigner in Nigeria, as well as to a general changing of social expectations and globalisation. The effects of recent corporate scandals, coupled with globalisation, have impacted much on society. Consumers are now expecting more from the companies whose products they buy. They appear to have lost much public trust in corporations, as well as public confidence in the ability of regulatory bodies and organisations to control corporate misconduct. More so, the increasing influence of the media and technology has made it much easier for any mistakes made by companies to be brought immediately to the attention of the public. In addition, the proliferation of the Internet has necessitated the rapid spread of any communication to move faster beyond the immediate confines of any environment (Ozuem, Howell and Lancaster, 2008) thereby empowering like-minded groups and consumers to target any organisations they perceive as not being socially responsible from any part of the world. The resultant effect of global communication has been unparalleled in propagating companies’ brands across the globe. As societies are better informed, companies are becoming more accountable for their actions within the communities in which their businesses are being conducted. The study of corporate social responsibility has existed for a long time, and while prevalent in North America and Europe, there are limited studies related to the practice and management of corporate social responsibility in Sub-Saharan Africa, particularly in Nigeria.

Extant evidence suggests that the existence of formal corporate social responsibility mechanisms in Nigeria stems from the United Kingdom (Guobadia, 2000). Guobadia (2000) noted that the Nigerian company law, known as the Companies Ordinance of 1912 and the Nigerian Law of Companies and Allied Matters Act (CAMA) of 1990 was a local enactment of the (Consolidation) Act of 1908 and the 1948 Company Act of the United Kingdom. While the concept of corporate social responsibility along with its formal applications could be said to be at the developing stage at this time, there are still some changes that reflect the growing concern of companies being socially and ethically responsible in Nigeria. The emergence of the Securities and Exchange Commission (SEC) which is a government body created in 1999, was to protect investors' interests against the unprofessional and fraudulent activities of stockbrokers (Amaeshi et al., 2006). More so, the Nigeria Stock Exchange (NSE) established afterwards was developed to support the SEC in monitoring companies' financial reports through ensuring that they attain the standards required by them. However, even at that level, there was much effort made to see that shareholders' rights were protected through the introduction of disclosure in the stock exchange. Corresponding to this, Okike (2007) noted that the introduction of the 'Merit Award' came as an incentive to companies who were found to be competent in their financial disclosures, and that in some cases, the NSE has suspended several companies who were found to be wanting or below the standard expected of them, especially pertaining to financial disclosure. Furthermore, to ensure better accountability and transparency, the Committee on Corporate Governance in Nigeria (CCGN) issued a Code of Best Practices among the boards of Nigeria quoted companies (Okike, 2007).

The committee made the recommendation that shareholders are to be responsible for electing directors and approving the conditions on which these directors, both executive and non-executive, operate. More importantly, behind this idea were the Cadbury Report (1992) and the Higgs Report (2003), which emphasised the need to elect the right group of individuals that are independent in their functions as non-executive board members. In addition to this, the formation of the Nigeria Shareholders Solidarity Association (NSSA) in 1987 came as a result of the auditors' inability to ensure accountability to shareholders. Similarly, agencies such as the Institute of Chartered Accountants of Nigeria (ICAN), the Independent Corrupt Practices Commission and the Economic Financial Crime Commission, were created by the Nigerian government in an attempt to ensure effective responsible governance. Atypical of this is the fact that even Government leaders who were found to be wanting in this regard were charged in court, and some have faced indictments in recent times. Nevertheless, the formal practice of CSR in Nigeria started with the multinational oil companies, who had already practised CSR activities in more developed countries. In 1969 Shell set up a public relations department and mandated that it should embrace all activities relating to relations between the company on the one hand, and the Government of the Federation at all levels, on the other. More recently came the creation of a model known as the Global Memorandum of Understanding (GMOU) by Chevron Oil Nigeria in 2005. The model was designed and launched as a means through which communities could gain better access to participate and play greater roles in the management of their development (Chevron, 2008).

The exploration and production of oil has caused enormous environmental problems on oil-producing communities in Nigeria. In their broad description of the effects of oil spills

on the environment, Dicks (1998) and Clarke et al. (1999) stated that the impact could encompass a physical and natural alteration of habitats. Consequent to this, the United Group of Experts on Scientific Aspects of Marine (1994) claimed that the deleterious impact of oil spills in the world presented grave ecological problems:

1. Mortality and long-term impact on sea birds, marine mammals and other sea life;
2. Physical damage or permanent loss of foreshore and marine habitats;
3. Impacts on the health, viability and diversity of coastal ecosystems;
4. Damage to aquaculture stocks, facilities and tainting of commercial seafood;
5. Smothering of, and damage to, inter-tidal biota and vegetation;
6. Contamination of coastal infrastructure and amenities leading to impacts on tourism and other recreational activities;
7. Shutdown of, or damage to, power station cooling water, desalination plant intakes and salt pans;
8. Economic loss at both regional and national levels;
9. Adverse media and political attention on the oil and shipping industries and their operations.

Similarly, Okike (2006) reported that the potential pollution outlets within the oil producing communities are air emission, water effluent and waste generation. Okike (2006) argued that air emission usually originates from gas flaring in relation to gas, as well as oil separation, and the accompanying consequences can be quite hazardous both for the individual and the society at large. Water effluent on the other hand results from the separation of production water and oil spillage of waste generation. Examining the

predicament and state of the oil host communities in Nigeria, the World Bank report (1995) equally evidenced this when they stated that Niger Delta is still poor, notwithstanding the vast oil reserves exploited by multi-national oil companies. In their view, the GDP per capital is below the national average of US \$280 in the face of a high population growth rate combined with several habitable land constraints (Birnbaum, 1995). The report also showed that health indicators for the host communities are low, especially when compared with the southeast region, where water is plentiful. Childhood malnutrition, which increases infant mortality, reduces mental capacity, degrades quality of life and restricts economic productivity, was found to be a common occurrence (Onishi, 2002; Olujide, 2006).

RESEARCH METHODS, SAMPLING AND PROCEDURES

This study relies on an interpretivist ethnographic methodological approach that emerged through interest in the origins of culture and civilisation; primarily through analysis of (primitive) societies. In early studies more positivistic perspectives of ethnography emerged through imperial and colonial understandings of the 'other', which usually illustrated a superior attitude. The scientist observed cultures and interpreted these in relation to a superior occidental perception of the world. In this context, even though there was an attempt at objectivity research continued to be value-laden. The question is however, by whose values are or should observations to be guided? They may either be etic (values of the researcher) or emic (values of the researched). Of course, a further problem is how one comprehends the observed when their values are not one's own. This was the difficulty with the colonial comprehension of the so-called primitive practices observed independently from an occidental Christian perspective.

Eventually, there was a shift away from the overt occidental position and recognition of the integrity of cultures in the developing world. Indeed, there is a true recognition of 'other' and an emerging relationship between the subjective and objective and understanding that interpretation of 'other' and 'self' is subjective and relative (Ozuem and Lancaster 2012). This perspective related to interpretive conceptions of ethnography and saw the researcher as part of the research process rather than external to it. The main methods in this form of ethnography are observations and interviews. The research normally takes place over a long period and in clearly defined locations; it attempts to understand and interpret the social world the way members of that particular world would or do.

That said, this work relies on limited cases and interviews and pursues a valid in-depth understanding of the phenomenon under analysis. Validity involves different understandings and interpretations of individual positions and it is important to identify that the research acknowledges the interpretation of the researched in relation to the researcher whilst undertaking data collection and analysis. Multiple voices are included in the process and the individual voice of the positivist position is deposed.

Reliability is extremely difficult for this type of research as the repetition of programmes is difficult to realise when individual situations in relation to multiple interpretation underpins the research process. Reliability is more easily realised when a structured, positivistic approach to the research programme is prioritised. In such a context, theory involves prediction so necessitates reliability through specified criteria and requires some form of hypothesis testing. However, if we re-assess these positions from an interpretive perspective different criteria emerge. The positivist position provides the image of a

scientist in a lab with the work outlined in organised reports regarding concepts, evidence and procedures. The interpretivist on the other hand identifies the image of the writer or storyteller balancing theoretical interpretation with aesthetics. With an interpretivist approach the reader is provided with an understanding of the stories uncovered during the research. However, can one generalise from stories? One may argue that generalisation from an interpretivist perspective may be achieved through empathy and understanding, assessing how individuals feel in certain situations and how they may act under different circumstances. Consequently, given the dislocated nature of reliability and validity within interpretivism a number of interpretations and subsequent generalisations may be forwarded in relation to a specific study.

Consequently, even though one may argue that certain methodologies and methods may be more conducive for undertaking research on social phenomena and humanity no collection of approaches provide a panacea in the pursuit of ultimate knowledge. One may take an interpretivist stance which concentrates on the single experience or individual situation, moment of discovery and feeling and emotion. This of course undermines the pursuit of objectivity and defines validity in terms of subjectivity and interpretation.

To ensure rigorous data collection, a pilot study was designed to gain a preliminary understanding of prevailing practices at the level of corporate social responsibility and so help in designing a discussion guide for the main study. This pilot study involved discussing issues to be investigated with a senior oil company employee and with two members from the village environment in which oil companies operate in the Niger Delta

Region of Nigeria. From these discussions, a research methodology, together with appropriate questioning themes was derived.

For the main study, one-on-one interviews were conducted in privacy to avoid any other distractions or influences and to ensure complete confidentiality. We used interview guides of ten questions, and each interview took approximately 30 minutes to complete. The interview guide was designed to allow the collection of information, not only on respondents' understanding of levels of socially responsible activities, but also on their perceptions of activities underlying societal welfare as they relate to decision problems. The interviews were open-ended and semi-structured. Respondents were selected on a geographical basis within the Niger Delta region in Southern Nigeria between April and May 2009. A purposive sample of 28 respondents was selected from three communities within the region.

In addition to these 28 respondents, 20 in-depth interviews took place with oil workers, community leaders and elders within the region. These interviews lasted for approximately an hour and were transcribed verbatim. They were coded by hand, which involved a two-stage process: the first entailed coding the 'broad themes' identified as major themes, such as social, environmental and economic factors, and the second stage looks in more detail at the themes; in particular it considered those associated with the major themes. It was at the second stage that the typology of socially responsible activities emerged.

All those who participated in the 48 interviews were informed of the intended outcomes of the research, including their right to decline involvement in the project at any time and

to not answer any questions that they felt were unacceptable. Permission to record the interviews was obtained, with participants being given the option to have the recording stopped at any time during the interview. Respondents were informed that the data would be anonymous, with only the region or province being mentioned in any subsequent publication.

DATA ANALYSIS

The data collected was analysed using a thematic analytical framework. This involved a number of distinct analyses with highly interconnected stages. Consideration of this method of analysis was based on the fact that the framework, as identified by Bryman and Burgess (2004), is not only systematic and disciplined, but more importantly, is essentially about detection, defining, explaining and exploring issues, among which are the basic tenets of qualitative research. In addition, it allows researchers an opportunity to deal the data in a more speculative fashion: to think about ‘what it means’ for the participants to have made these claims, and to have expressed these feelings and concerns in a particular situation (Larkin et al 2006). More so, it was deemed to be the most appropriate method, considering its capability and flexibility in facilitating an in-depth perception and understanding of the material collected, which invariably is cumbersome owing to the unstructured nature of depth interviews. This method seemed appropriate, considering that a high proportion of data to be collected was not going to be simply secondary based, but it was anticipated that it would principally emerge through in-depth interviews and an unstructured questionnaire (Gomm, 2008). Our sources of information, therefore, called for a high degree of coherency and articulated structure. Since the researchers were not seeking to test any hypothesis, it was imperative that an analytical

method, which seeks to sift, chart, sort and explain data as they relate to key issues and themes, would provide a deeper understanding on the range of perspectives (Tuckett, 2005). The adoption of a thematic analytical framework in this sense not only offers this capability, but more importantly, makes it possible to draw upon a priori issues that are informed by the original research questions and brought forward into the interviews and questionnaire through a topic guide. More so, it brings into focus the emergent issues raised by those interviewed as well as the analytical themes from the recurrence views (Bryman, 2001; Bryman and Burgess, 2004). In line this with thought, Ozuem, et al. (2008) noted that the thematic analytic framework enables researchers to familiarise, reconsider and rework the unwieldy data that has been collected.

As applicable to the current study, familiarisation with the data triggered some interconnected categories that replicated some of the core issues in the major themes, but which may not be categorised under the major themes due to their complex nature and some differences that made them appear exclusive, especially when viewed from a distance. However, the next stage was the phase of identifying a thematic framework, otherwise known as key issues, concepts and themes to which the data collected could be examined and referenced as the analysis developed. The composition of the major themes identified is depicted in Table 1:

Table 1

Major themes	Perceived benefits	Key issues
Social factors	Oil companies embark on	Donations;

	social functions through various means, of which the oil producing communities are concomitant beneficiaries.	Sponsorship awards; Community investments; Community developments; Agricultural aid.
Environmental factors	The exploration of oil provides some environmental issues within the community.	Mitigation of hydroelectric production; Reduction of mining activities; Pollution; Cleanliness concerns.
Economic factors	Being socially responsible is a strategic weapon for realising business goals and objectives.	Profit maximisation; Training; Technological transfer Technical support; Local sourcing.

As the process continued, four more themes emerged in addition to the a priori issues informed by the research questions. These were introduced into the interviews through

the topic guide. These themes, however, were not mutually exclusive to the initial categories, but happened to develop as fundamental important issues. The permeating themes are illustrated in Table 2 with categorised key issues.

Table 2

Permeated theme	Perceived consequential effects	Key issues
Redundancy crisis	Many of the indigenous population among the host communities are now unemployed and this predicament has consequently triggered other related issues.	Unemployment; Low income; Market impact; Theft; Illiteracy.
Fractured relationships	The personal and social lives of the citizens within the host communities, as well as between them and the oil companies, are affected in various ways.	Hostility; Mistrust; Change in social behaviour; Rivalries; Unnecessary shutdown.
Poor standards of living	The cost of living for	Unhealthy eating habits;

	individuals in the host communities is very high and only a few individuals within these communities manage to live above the poverty level.	Reduced income; Changes in social life; Reduced patterns of expenditure; Low standards of education.
Health problems	Serious respiratory problems were linked to environmental pollution caused by the activities of the oil companies.	Coughing up blood; Cancer; Protein deficiency; Gastrointestinal problems; Kwashiorkor.

Social aspects

The social aspect of corporate social responsibility on host communities themes was found to be dominant. Respondents from one of the companies reported a wide variety and broad scope of projects that had been initiated and undertaken in such areas as public and general medicine, education, community development, vocational training, small and medium enterprise development and agriculture, from which the host communities have been benefiting. One respondent, who was a manager in the company, reflected this when she stated:

Our company has corporate social responsibilities issues at stake at all times. We have been committed to providing our host communities with social benefits to promote development. These social benefits are evident and encapsulated in the numerous high profiles of donations, hospital and infrastructural projects, to name only but a few. Precisely speaking, the company makes yearly donations to hospitals and clinics, both within and outside the host communities. The following hospitals can testify to this: General Hospital Okolobiri in Bayelsa State, Central Hospital, Warri, in Delta state and Braithwaite Memorial Hospital, Port Harcourt of Rivers State. More so, the issue of helping both government and non-governmental organisations in generating awareness, as well as combating HIV/AIDS, among other areas of concern, is not left out. In addition to this, we are renowned for sports and athletics sponsorship and educational projects, which can be witnessed through our recent construction of classrooms blocks, laboratories and teachers' quarters.

This participant saw corporate social responsibility as the company's engagement in assisting or supporting the government, the host communities and non-governmental organisations in creating and ameliorating social impediment to life. She appeared to view narrow corporate social responsibility practices and concepts as one-way traffic, and something that is undertaken out of charity. Underlying this concept is the notion that they are solely investing, or giving out, to the host communities without receiving anything in return. Her description of the impact of company 'A' corporate social responsibility impact on the host communities envisaged an expanded argument of those who believe that corporate social responsibility implies that companies voluntarily integrate social issues in their business operations. However, this idea tended to be contrary to that of another respondent, a 41-year-old man in a management position in an oil company:

The impact of corporate social responsibility on the host communities is one which Company 'B' is very much in line with. As a sequel to the proliferation of international codes and media awareness, the company has continued to reform its corporate social agendas, all in a bid to ensure that they match international standards. In recent times, the company has not only contributed immensely to infrastructural developments, such as road construction and other technical support to government in terms of local sourcing for procurement and service delivery, but more so, has improved their staff training, health care and pension benefits, as well as technological transfer initiatives. We have never relented in making effort as regards sustaining the communities as well as rewarding staff with 'goodies' and these have always benefited us.

As indicated by this respondent, the impact of corporate social responsibility on Company 'B' is felt by the host communities and the staff. While the respondent considered economic benefit as a useful symbol in capturing what corporate social responsibility is, as well as its impact on the stakeholders, it could be said that he does not seem to perceive it as being an integral component of business in general. Nevertheless, this perception is equally dominant in the information provided by a member of staff in the same organisation:

Corporate social responsibility is about ensuring that the environment does not suffer as a result of one's business or operations. In line with this I can say that my company has always made effort in keeping with the environment, especially those that are of great concern. Company 'B' has always enfolded itself in such activities that will not only mitigate the effects of mining and hydroelectric production, but also compensate for it. We also bring initiatives that will enable the government to actively reduce pollution as well as to ensure that the environment is kept clean. The company's use of hyper-spectral imaging, among other means, speaks volumes: an

instrument that enables us to see and gather information about the environment, so as to plan ahead and maintain equilibrium in the ecosystem.

The host communities are attendant beneficiaries of these initiatives and the impact of such corporate activities on the environment could be further exemplified through other means by which the company seeks to prevent pollution. Another key issue that emerged is that being socially responsible builds and facilitates a cordial relationship between multinational firms and the host communities. As this 50-year-old woman noted:

Yes, there is evidence to show that we have corporate responsibility activities in our company and that their impact is felt among the staff and also the community in which we operate. Corporate social responsibility, which has much to do with the company establishing a cordial relationship with the staff, government and the communities so as to remain undisturbed in operation, has been one of the practices undertaken not only by our company but also among other oil companies, especially after the recent crisis that drew the attention of international bodies in the early 1990s.

Reflecting on the impact of socially responsible investments on the community, this respondent also noted that:

There is no doubt that most of what we have been experiencing in recent times, in terms of Company C being socially responsible to its community, is not in vogue as a necessary consequence of system disruption in terms of recent damage to oil pipes and attacks on them by those we call the militants. In fact, for me, I view those social functions as a strategic means to not only calm down the hearts of the host communities, but also to create a reputable image among international bodies. In as much as I recognise some of the social projects undertaken by them, I would still note that they cannot be measured with the amount of damage caused by their

operations in our communities. In addition to this, most of the time the activities do not reflect the major interest of the communities, but whether this can be traced to overlap in communication or management's inability to determine what societal function is more pertinent to the communities, remains another issue to be investigated.

This respondent demonstrated a keen awareness of the social activities of oil companies. For this respondent, the corporate responsibility functions undertaken by Company 'C' and other oil companies do not seem to be done so out of conviction. This does not mean that they do not practice it. She goes on to suggest that the actions are more reactive and defensive. As was noted, there is some evidence in terms of social projects and health services issues undertaken by them, but still, they are not enough to demonstrate the level of responsibility expected of them, nor does it reflect those areas that are more pertinent to the communities. Besides this, they are intentionally purported for certain practical reasons, of which, according to her, are to avert the international eye and retain legitimacy of operation. Furthermore, as reflected in her opinion, the problem could either be traced to the overlap in communication or possibly, that of the management not comprehending what is more pressing to the communities in which they operate. Corresponding to this idea, a 43-year-old man from one of the communities asserted that:

Not to admit to the efforts of oil companies in making an impact in the hearts of communities is unrealistic. Some of the micro and macro developments in our communities are, in one way or another, a consequence of their place among us. But one dilemma that appears to bother the minds of most of us is that the areas they often seek and invest in do not capture the essential needs of the communities. Sometimes, some of the projects like classroom blocks and building local community centres, among other supportive activities, are started but are left unfinished. What I cannot be sure about is whether this is done intentionally or is simply down to

incompetent management. What they invest in does not always fulfil our essential requirements. We need to be taught how to get fish and not how to be given fish. I am quite sure that you do understand what I mean by this expression.

According to this respondent, the issue is not that the oil companies are not doing anything in terms of identifying themselves with corporate social action, but instead, it relates to the nature of what they undertake in relation to this social action. He does not infer that erecting a classroom block or other such activities are worthless, but instead, what sounds more appealing to him, is when such corporate functions are either completed or channelled to activities that will still be applicable for future developments. Any activity that is less addressed or has less sustainable impact on the lives of the citizens should be reconsidered. More so, in his view it may be possible that what the oil companies invest in is based on information they receive from some of the members of communities, but he believes that the companies should know what is more beneficial and essential to the communities. While there was a consensus among respondents on the visible impact of corporate social responsibility functions on staff and communities, there appears to be a perception that most of those activities are intentionally manufactured for public relations purposes. Understanding corporate social responsibility was either regarded as an economic issue or viewed from a social and environmental angle. The notion of viewing them as being holistic in the value chain did not apply, and this possibly could have resulted in respondents emphasising one aspect more than the other. Corporate social responsibility appears to be rated in visible structures and institutions. The issues of sustainable development and possible impact of present activities of oil companies on future generations was not found to be relevant. In other words, most of the

corporate social responsibility function was viewed in term of its impact on the present, while the future was left unanswered. This suggests the level of understanding and practice of what corporate social responsibility is lacking in terms of how its actions are received.

Unemployment and Job Loss

The majority of individuals within the host communities are exposed to the predicament of redundancy or simply being without a job as a result of the enormous land masses occupied by the oil companies as well as the resultant effects of oil exploration in terms of pollution to the land. This phenomenon, as depicted by many respondents along the course of enquiry, has resulted in unexpected problems for individuals within the host communities. This can be understood when one recapitulates that most of the individuals within this locality are farmers of different categories. Suffice it to say that they are peasant farmers, who absolutely depend on the basic fruits of their land. Some of them use this means as a source of business, in the sense that they are not only subsistence farmers but also use the crops for commercial purposes. As one of these respondents noted:

Oil companies have left us in shambles. What we reap from them cannot be placed at the same table as what we are experiencing from the result of their operations. I am a farmer who lives and survives by what comes from my farm. There are a lot of consequences resulting from the activities of the oil companies which have rendered most of us redundant. Not just us the farmers, but even those who depend on what we produce as a source of business and transaction. Today, the act of theft has increased because of the thirst to survive. We have less land for cultivation and the existence of oil companies has equally increased the prices of land and other things such

as water. A sachet water that is sold at five naira in the cities is being sold at ten naira in our communities. If our water was not polluted (from oil extraction activities) such a business (selling water in sachets at inflated prices) would probably not survive here.

This participant saw unemployment as a concomitant to oil companies in their communities. As stated by him, most of the indigenous people are farmers who have been laid off as a result of the massive rising cost of land within the region. This respondent expressed that this impact has a successive effect on the marketplace and increases acts of theft. Corresponding to this, a 42-year-old man noted some of the impacts of oil exploration within communities:

The issue is not that our land is no longer as productive as it usually is, but that they hardly employ us to work for them. Apart from those who are able to get loans from the bank in order to invest in mechanised farming, there is no living to be obtained. To farm in the absence of such things like fertilisers, as well as to make profit, is very difficult. What is more pertinent is that when we seek employment in their various companies, the feedback we receive is that we are not highly skilled workers. But even to be a cleaner is very difficult, yet they are operating on our land, and our government has been quite weak in responding to our cries for help.

As indicated by this respondent, the existence and operations of oil companies in their communities have rendered most of them impotent in the farming environment. However, in spite of this statement, activities of oil companies have increased the level of employment within the communities. This respondent went on to say:

The oil companies' inability to put in place the corporate responsibility functions which they claim to practise in their corporate agenda could be linked to inherent corruption in management and our system of governance. What is more shocking to me is that even with the constant

agitation and conflict between the oil companies and host communities, they has not been any serious transparent effort made by our government to look effectively into this matter. Whether they are silent, based on the fact that they are either multinationals or taking bribes, is something that my mind cannot give answer to. But it appears, from the look of things that something which the eyes of the man on the street cannot see, is going on between them and our government.

One of the major issues identified by this respondent is the inability of oil companies to implement their socially responsible activities that are highlighted in their promotional material. It appears that most of these companies have socially responsible initiatives, but the question still remains: How can these organisations implement their corporate social responsibilities without the government and local community leaders' intervention? As noted by this respondent, there is an overlap in management or corruption either in the management team of the oil companies, between community leaders, and between oil companies and the government.

Conflict and hostility

Another emerging theme from one respondent was the hostility and conflict brought about by the present state of corporate social responsibility actions of the oil companies which have affected personal and social relationships. From the personal perspective, there have been issues of less income and withdrawals of expenditure. Individuals no longer enjoy the benefit of producing organic products. More so, there have been unnecessary fracas among one another as well as among communities, resulting from a lack of trust with regards to how the funds that the oil companies claimed to invest in the communities are managed or spent. Individuals have less trust of one another, and one of

the consequent factors of this, as identified by one respondent, is the increased incidence of sabotage between them. As noted by this respondent:

The existence of the oil companies has resurrected a lot of issues that would not have featured otherwise. Today, in our communities nobody trusts anybody anymore. Individuals, as well as communities, look at each other with suspicion. There is a dearth of trust coming from the inability to detect who appropriates the public funds and dividends that the oil companies tell us they usually pay. In our communities, our local leaders do not come out in public to address this issue because it seems they have been bribed. This has made it impossible for our communities to speak with one voice.

The discovery of oil, which was initially a cause for joy, has, in recent times, turned out to be a cause for mistrust and division between one another and among communities, as well as between neighbouring towns. As was depicted by this respondent, the level of disunity and rivalry among communities has made it impossible for them to stand up and speak with one voice. Personal and social relations have been broken to the extent that leaders now address corporate social responsibility issues only when there is sabotage that impacts on the oil companies. The impact of such sabotage was clearly identified by one respondent of the management team, as follows:

Whenever there is pipe breakage or sabotage by those notorious gangs called the militants, the company not only loses huge financial resources but, more importantly, has its brand image at stake. Sometimes, such conflict results in death, injuries or some of the staff and management being kidnapped or taken hostage. You cannot imagine how somebody can possibly work in such an environment.

Another intriguing emerging theme which emerged concerned the impact of oil company activities on oil host communities. The standards of living of individuals within the host communities are quite different from the staff of the oil companies. There is a great inequality in terms of living standards and this is encapsulated well in the remarks a 29-year-old man who was doing his youth service in one of the companies. According to him:

Having served for a period of 9 months, I can rightly say that host communities are greatly marginalised. This can easily be seen from the great disparity in terms of living standards. What the lowest administrative staff receive, is often not seen by many of the individuals in the regions where the oil companies operate. The situation can be described as a paradox of plenty. While some of the staff change their cars every few months, many of indigenous people struggle to feed themselves and cannot even think of procuring a bicycle.

The inconsistent disparity in terms of standards of living, as elaborated by this respondent, is problematical. As pertinently noted by him, this inequality is found in the shortage of life's basic necessities by most individuals and families within these communities. Parents attempt to cut expenses and sustain life to the extent of withdrawing their children from attaining a basic standard of education. This situation is in contrast to the staff of these companies who live affluent and flamboyant lives and send some of their children abroad for studies.

Another essential point that emerges in response to the impact of oil companies' activities on the communities in which they operate, was pertinently noted by a female medical practitioner. According to her, there is a consequent effect of airborne pollution and oil

spillages emanating from the exploration carried out by the oil companies both on aquatic organisms and on human beings. Congruent to this she noted:

An oil spillage can harm mammals, birds and other aquatic creatures in several ways such as: direct physical contact, toxic contamination, destruction of food sources and habitats and reproductive problems. For birds, the risk of drowning increases, as the complex structure of their feathers that allows them to float or to fly becomes damaged. Animals are also at risk from ingesting oil, which can reduce the animal's ability to eat or digest its food by damaging cells in the intestinal tract. More so, due to the fact that oil contamination gives fish and other animals unpleasant tastes and smells mean that animals who prey on these often refuse to eat the animals or fish they have caught and simply starve. Sometimes, a local population of prey organisms is destroyed, leaving no food resources for predators. On another note, when rivers are used as a source drinking water, oil spills on rivers can pose direct threats to human health.

In the views of this respondent, understanding the impact of oil companies' activities will obviously assist in shedding light both on the management team of these companies as well as the present government. She went on further to note that one of the possible benefits of saying this is to enable them to understand that they themselves can be victims of circumstance. Furthermore, she called for the enactment and implementation of stringent environmental laws to protect land areas, as well as policies to reduce the crushing level of poverty so that a better livelihood for communities may be guaranteed. Corresponding to this, another respondent, who was a lecturer in one of the state universities, highlighted numerous respiratory problems arising from the gas flaring resulting from the activities of the oil companies. This has not only made people vulnerable to various sicknesses, but has contributed to the rapid increase of kwashiorkor among others. As asserted by this respondent:

Activities of oil companies in our community has accelerated the number of dreadful illnesses among, us unlike before. I have reason to suspect that the serious respiratory problems witnessed in many of our communities can be linked to environmental pollution. Today, in our communities, we experience respiratory problems such as coughing up blood, skin rashes, tumours, gastrointestinal problems, different forms of cancer, malnourishment and so on. Many of our children have swollen bellies and light hair, which are evidence of kwashiorkor, a protein-deficiency syndrome. I am afraid, because if something drastic is not done with regards to this, our future is bleak.

As indicated by this respondent, the dilemma emanating from the activities of oil companies calls for an urgent response. In their views, there are long-term consequences of such activities for the health of the communities as well as other living organisms. Furthermore, there was repeatedly reference attributed the spread of kwashiorkor in their communities, and the drastic decline in fish catch and agriculture, to the pollution of rivers, ponds, seawater and land by oil industry operations.

SUMMARY AND CONCLUSIONS

We have argued that socially responsible activities comprising a web of reciprocal activities in the communities in which companies undertake their activities will in the long run form the basis of competitive advantage and community cohesion. Implicit and explicit activities undertaken to provide essential services and infrastructure not only result in goodwill, but this increases the brand equity of these companies with the outside world. Undoubtedly, organisations operating in the Niger Delta region attempt to perform socially responsible community activities in an attempt to foster community cohesion and collaborative activities with the participating communities.

This paper has sought to establish that social responsible performance, through the avenues of community development, offer major reconnections and enhancement with the collaborative participating companies. Communities within this region, however, are disparate societies that require to be understood in terms of their own contrasting needs and in the context of what might be acceptable to them as socially responsible projects. The increasing demand of these communities makes it more complex for participating companies to implement their socially responsible initiative within these communities. As McWilliams *et al* (2006) perceptively point out any analysis of the strategic implications of CSR is hampered by cross-country/cultural differences in the institutions that regulate market activity, including business, labour and social agencies. Institutional differences lead to different expectations and different returns on activity. For firms operating in multiple countries/cultures this complicates the process of determining which activities to engage in and how much to invest.

Accordingly, our findings have implications both for research and practice. Companies might respond to environmental and social challenges by informing and educating communities on the level of their socially responsible projects and environmental issues. This should be considered during business strategy formulation and deployment stages and should be made available to all participating communities involved. Issues related to these should be deliberated upon before any project is undertaken. The crisis resulting from the unfriendly relationship between the oil companies and host communities in the Niger delta has had a debilitating effect. Funds spent in legal proceedings could go a long way towards funding projects within the communities. Additionally, the recent rise of expatriates being held hostage has hampered socially responsible investments within

these communities. Oil companies have paid millions of dollars for the release of their workers. By doing so, these funds have been put into the wrong hands rather for the development of communities. Socially responsible activities should not be viewed as 'gifted projects' to host communities. Rather, it should be part of the strategic objectives of organisations operating within these communities.

Davies (2003) noted that corporations are under an obligation to legitimise their licence to operate to society at large so as to retain their implicit endorsement. This licence to operate, which offers ground for comfort when corporations operate in a particular region could be undermined in various ways by unfriendly relationships similar to that existing between oil companies and their host communities in the Niger delta. With the low state of corporate social responsibility practices, it would not be outrageous to suggest that the emergence of any of the indigenes of these communities as the president of the country could well turn around the situation radically. The role and place of these communities, as well as the government, in the oil industry is of paramount importance to the survival and viability of the oil companies. One important thing that operating firms should consider is the establishment of a code of corporate social responsibility auditing for all companies. This would be only possible if multinational companies make their socially responsible projects transparent within and outside the communities. One of the ways to undertake this is publication of their proposed socially activities in the national and local media. Corporate policies regarding socially responsible projects and community developments should be disseminated in public places like libraries, community halls, schools and universities. Such transparency could have a significant influence on the

promotion of proactive socially responsible performances of these companies (Ramdani and van Witteloostuijn, 2012).

Despite the contributions that have been outlined, this paper has some limitations that provide further research opportunities. First, in pursuit of validity this study has examined a limited range of companies operating in the Niger Delta region. Future research could take a more positivistic position and explore a wide range of companies outside the oil producing companies. Secondly, this study was undertaken from an interpretivist ethnographic position and concentrated on data collection from interviews and observations. Further research should explore various data collection methods which could provide much richer and diverse information related to the activities of socially responsible activities within the region. The final issue is especially pertinent to companies operating in these communities. While these companies face increasing challenges derived from globalisation pressures, because of community unrest and the acceleration of social and technological change, means that companies tend to remain with the status quo and resist strategic renewal related to corporate social responsibility. As Escriba-Esteve et al (2009) asserted, studying the role of top executives in limiting or encouraging strategic change can add important insights to the body of knowledge on strategic renewal and improvement of socially responsible projects.

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