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IMPACT OF CORPORATE SOCIAL RESPONSIBILITY PRACTICES ON THE PERFORMANCE OF MOBILE TELECOMMUNICATIONS COMPANIES IN NIGERIA

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ABSTRACT

Corporate social responsibility (CSR) in developed countries is a strategy meant to assist businesses to bridge the gap between the need to realize financial objectives and the socio-environmental effects of their activities on the host communities. However, CSR programmes conducted by Nigerian companies are often not integrated into the organizations' operations but rather merely taken as philanthropic gestures. Hence, this study examined the impact of CSR practices on the performance of mobile telecommunication companies (MTCs) in Nigeria. The study employed primary data obtained through questionnaire administration and secondary data obtained from the annual reports of the selected MTCs in Nigeria. Descriptive statistics and panel least square regression analysis were used to achieve the objectives of the study. Results of the regression analysis revealed that there is positive relationship between educational related CSR and CSR activities embarked upon by MTCs in Nigeria. The study concluded that CSR is a significant determinant of return on capital employed by MTCs in Nigeria. It is therefore recommended that MTCs in Nigeria should intensify efforts on financing education so as to enhance the performance of their organizations.

Keywords: Corporate social responsibility, Performance, Telecommunication companies, Education, Nigeria

1. INTRODUCTION

The introduction of mobile telecommunication into Nigeria has brought various employment opportunities to millions of Nigerian citizens, ranging from distributorship of recharge cards, GSM phones or retailers of recharge cards, GSM phones to mobile phone repairers. Mobile telephony is currently the most widely acceptable mode of communication (Osemene, 2012). The mobile telecommunication industry is one of the most viable sectors that boost the nation's gross domestic product (GDP) with a contribution of about 10% (National Bureau of Statistics, 2016). As rightly noted by Reich (1998), the survival of business organizations and wealth creation is largely dependent on the willingness of the society to support business operations. Corporations are part of societies, thus they should have a strong foundation of relationships, and increase their transparency by providing relevant information that enables people to take reasonable actions (Barsoum & Refaat, 2015). Applying this to environmental

matters, companies have the responsibility of informing the society on how their economic activities impact the environment in which they are making profits, as well as preserving and ensuring environment sustainability. According to Wheelen and dan-Hunger (2011), corporations have responsibilities to society that extend beyond making profit. Altschuller and Smith (2011) opined that it is expected of companies to manage the environmental and social impacts of their operations. Business organizations do not exist in a vacuum but in a society made up of the employees, customers, government, neighboring environment and other stakeholders which goes a long way in influencing its growth and development (van-Marrewijk, 2003).

Various stakeholders demand for certain benefits in the form of CSR from organisations. In response to the agitations, many organizations in different sectors such as banking, manufacturing, oil and gas, telecoms, among others, have embraced CSR programmes. They inculcate the culture of responsibility towards the various stakeholders in the environment. Engagement in CSR has become a common practice by large corporation in developed country but is still debatable issue in emerging countries such as Nigeria (Ahamed, Almsafir and Al-Smadi, 2014). However, many organisations in Nigeria are driven by the quest to make more and more profits. Response to the needs of various stakeholders such as the host communities, employees' welfare, environmental protection and community development are not given utmost priority. Whether the CSR activities embarked on are genuine efforts towards environmental sustainability or mere window-dressing efforts to attract more patronage is another thing.

According to Mullerat and Brennan (2005), sustainable and socially responsible business organizations recognized the necessity to operate a green business agenda while accepting environmental stewardship as an indivisible whole of business operations. This acceptance includes a willingness to operate transparently and engage actively; seeking opportunities for improvement through the use of eco-efficient solutions by developing new technologies, employing life-cycle perspectives in resource and product stewardship, and positively addressing biological diversity. Osemene (2012) asserted that many of the CSR programmes embarked on by most Nigerian companies are not integrated into the organization's operations but taken as philanthropic gestures, public reporting through newspaper and television media merely to give the impression that they are involved in CSR.

Many Nigerian organizations are bedeviled with internal (workers and investors) and external (general public) dissatisfaction, leading to image problems (Ngerebo & Yellowe, 2012). Consequently, this study asked the following pertinent questions:

i. What are the factors responsible for CSR in Nigerian MTCs?
ii. To what extent does educational related CSR impact on return on capital employed of MTCs in Nigeria?
iii. Does employee welfare have effect on return of capital employed of MTCs in Nigeria?

The objectives of the study are to:

i. determine the factors responsible for CSR in Nigerian MTCs;

ii. examine the impact of educational related CSR on return on capital employed of MTCs in Nigeria; and
iii. evaluate the effect of employee welfare on return on capital employed of MTCs in Nigeria.

The study hypothesized that:
H_{01}: Educational related CSR does not impact significantly on return on capital employed of MTCs in Nigeria.
H_{02}: Employee welfare does not have significant impact on return of capital employed by MTCs in Nigeria.
Specific objective (i) was not subjected to the formulation of hypothesis but was addressed with descriptive statistics.

2. LITERATURE REVIEW

Conceptual Issues on Corporate Social Responsibility

According to Crane, Matten and Spence (2008), the World Council for Sustainable Development defined CSR as 'the persistent involvement by business organizations to act ethically in enhancing the economic development while refining the quality of life of the workers as well as of the local community and society at large". CSR can simply be defined as the form of corporate self-regulation embedded into a business structure. Campbell (2007) noted that CSR is a voluntary effort by corporations in integrating their stakeholders' social and environmental interests into their daily activities.

Organizations that attempted to restructure their business strategies without appreciating the need to include and make people the basis of their strategies will succeed in compounding the problem they are trying to solve. CSR is the tool that companies employ to manage their businesses so as to make positive impact on the society, through their environmental, economic and social activities (Nsikan, Umoh & Bariate, 2015). It is a strategy meant to assist businesses to bridge the gap between the need to realize financial objectives and the socio-environmental effects of their activities (Heal, 2005; Adeyanju, 2012).

Carroll (1991) averred that CSR views economic responsibilities as the highest responsibilities. Such responsibilities include economic development of the host community, use of local suppliers, payment to federal, state and local governments, corporate governance, hiring of local labour, construction and maintenance of roads and hospitals. In some instances, the host communities provide the raw materials which the companies process as final products to consumers. In the case of mobile phones, students generally provide a very large market for the MTCs. Apart from the ease of call makings and texting to their fellow students, friends and relations; they use the phones for internet activities such as browsing, chatting, among others. It is then expected that students whether at the secondary or higher education level may expect some level of CSR benefits from the MTCs.

Characteristics of Corporate Social Responsibility

European Foundation for Quality Management (EFQM) (2004) listed the following as characteristics of corporate social responsibility:
i) Ensuring the needs of the present stakeholders is met without jeopardizing the efforts of future generations in achieving their demand. It is important to note that the quest for profit making has

made many organizations to turn blind eyes to the negative effects of their operations on the environment. This is especially true with the consistent and current agitations of the residents of the Niger Delta region of Nigeria.

ii) Organizations are likely to adopt CSR willingly and rather not as a legal requirement because they recognize CSR adoption to be in the long term benefit of their organizations. Failure to take adequate care of the host community often leads to destruction of properties and means of livelihood of such companies. Hence, to prevent such occurrence, it is better to adopt CSR willingly.

iii) CSR integrates environmental, social and economic policies in the day to day operations of corporations. Though this is purported to be so by corporations, yet a number of Nigerians have contrary opinions that corporations are not doing enough.

iv) CSR is seen to be a core activity that must be embedded into an organization's management strategy. This is because failure to do this may mar the organization's success.

The Benefits of Corporate Social Responsibility

Businesses are the reflection of those who operate them; who are in-turn, a replication of the communities from which they come. Organizations are known to be the microcosms of their direct society (Kayuni & Tambulasi, 2012). Organizations use CSR to enhance their links with the local communities in which they operate as well as contribute to the relationship between civil society and capital (Belinda, 2014).

Some of the benefits accruing to firms that engage in CSR include increased or greater access to finance; enhanced brand value; a healthy workplace; motivated people and community; stronger risk management and corporate governance; enhanced trust of stakeholders; customer loyalty; an enhanced public image and economic success (EFQM, 2004; Elizaveta, 2010; Osemene, 2012). According to Mirfazli (2008), the failure to engage in social responsibilities will lead to more harm than any good. Unethical business practice is no longer trendy even in a developing country like Nigeria. Such will only lead to a negative feedback to any organization because of the responsive journalism, improved media attention, as well as improved social media in Nigeria (Osemene, 2012). Some researchers such as King & Lenox (2002) opined that the most environmentally friendly organizations are rewarded with higher profitability. On the other hand, Miles & Covin (2000) observed that organizations would benefit from CSR in terms of a better reputation, lower costs and innovation.

Factors Influencing Corporate Social Responsibility

The following are the factors influencing corporate social responsibility activities of organisations:

a) Pressure from Civil Groups: Civil groups play a key role in enabling businesses to integrate CSR as a key activity. According to Rahul (2008), civil groups effectively employ market incentives to persuade organizations to be more accountable to their society. He further added that organizations are very proactive to pressures that impact negatively on their bottom-line, such as investor

pressure, consumer pressure, and media exposure.

b) Workers' Welfare: Companies with a good welfare package for their staff enhances the ability of the firms in attracting workers as well as motivate staff to better inject their best in the operations of the organization. Ethical responsibilities do attract and retain the best workers in an organization (Osemene, 2012).

c) Legal Requirement: Laws guiding CSR constitute a major factor in enhancing CSR and also the disclosure of CSR reporting in a company (EFMQ, 2004). Organizational Culture: This factor is the most relevant to organizations, mainly because organizations realized that reputational damage may cost more than a damaged product, which can severely affect the customer base and in turn affect the share price (Rahul, 2008).

d) Infrastructural Facilities: Infrastructural facilities capable of reducing pollutants or emission level in line with international best production practices constitute a major factor in meeting environmental accounting standard (Osemene, 2010). Cleaning up polluted environment as a result of an organisation's economic activities should not arise out of agitations or acts of vandalism by host communities. A responsible organisation ought to do what is right without being coerced.

e) Competitions: CSR can be a tool in a competitive world characterized by homogeneous products. Consumers have an invincible power; particularly in the market place that concerned not just issues that directly affect them but also the indirect issues such as child labour (Rahul, 2008).

Theoretical Framework

Stakeholder Theory

This study has its theoretical basis on stakeholder theory which refers to the notion that each group has a vested interest in the manner in which an organization is operated. According to Akinsulire (2011), the traditional view is that the organisations are run so as to maximize the shareholders' wealth. However, there is another view that an organization is a coalition of various groups such as shareholders, employees, lender, customer, suppliers, community and government. Lasher, Hedges and Fagerty (2006) opined that these interested groups can be called stakeholders of the company. Conflicts of interest may sometimes arise among stakeholders. Conflict of interest occurs when things that benefits a group robs another group of their benefits. These conflicts can affect managers actions and therefore impacts on share prices.

The stakeholder theory proposed an increased level of environmental awareness which creates the need for companies to extend their corporate planning to include the non-traditional stakeholders like the regulatory adversary groups in order to adapt to changing social demands (Trotman, 1999). The theory suggests that besides shareholders, other stakeholders are affected by a company's activities and they must be considered in management decisions, possibly equally with shareholders (Werhane & Freeman, 1999).

The basic proposition of the stakeholder theory is that the firm's success is dependent upon the successful

management of all the relationships that a firm has with its stakeholders. Stakeholder theory can further be used to explain the importance of corporate social responsibility practices in an organization. According to Branco & Rodrigues (2007), social issues deserve moral consideration of their own and should lead managers to consider the social impacts of corporate activities in decision making. Regardless of any stakeholders' pressures, actions which lead to things such as the conservation of the Earth's natural resources or bio-diversity preservation, are morally praiseworthy and also CSR is seen as a defense measure of the industrial system against attacks because there is the need to proffer a balance between social objectives and profitability so as to achieve economic equilibrium. Therefore, management of mobile companies in Nigeria must strive to satisfy the need of their employees by investing in the welfare of the staff as well as impact positively on the need of the community by investing in the educational activities which will in turn most likely lead to customers loyalty.

Empirical Review

Studies examining CSR activities and performance of firms have mixed results ranging from neutral relationship to positive or negative relationship. For example, studies like Mohamed, Zain and Janggu (2006), Allen (2014) and Adeneye and Ahamad (2015) argued that the relationship between firm performance and CSR activities is neutral. Thus, the studies suggested that a renewed effort into CSR. In another dimension of the mixed results, the studies of Fu and Shen (2015), Yusoff and Adamu (2016), Kiran et al. (2015), Ofori et al. (2014) and Jie and Hasan (2016) found positive relationship between CSR and firm performance. Given the positive relationship established in the studies, conclusion was reached that investment into CSR activities should be encouraged in order to improve firm performance. In the third dimension of mixed results where negative relationship have been established, emphasis were laid on discouraging the use of firm resources in championing CSR activities (Hirigoyen & PoulainRehm, 2014; Singh, 2014).

Lee and Park (2010) examined the socially responsible activities of airline companies. Secondary data was employed for the study and data was obtained from the audited annual reports of the selected companies. The results of the study revealed that corporate social responsibility is a significant determinant of performance in the selected firms. Osemene (2012) examined the corporate social responsibilities in mobile telecommunications in Nigeria. Primary data was employed for the study through questionnaire administered to the staff of the selected mobile telecommunications companies. The results of the study revealed corporate social responsibility impacts positively on the telecommunication permanent staff, environment and stakeholders.

Belinda (2014) carried out a study on corporate social responsibility in South Africa mobile telecommunication companies. Using primary data obtained via questionnaire, the findings of the study revealed that most customers believe that companies are morally obligated to be socially responsible. Nsikan, Umoh and Bariate (2015) investigated corporate social responsibility and mobile telecommunication in Nigeria. The study employed primary data obtained through questionnaire and analyzed through

regression analysis and chi-square technique. The results showed that significant relationship existed between CSR and competitive advantage.

Adeyemo, Oyebamiji and Alimi (2013) examined the factors influencing corporate social responsibility in Nigerian manufacturing companies. The study employed primary data for the study. With the aid of multiple regression analysis, the result of the study identified factors that influenced CSR practices as employees demand, competition, government policy, customer demand and organizational culture. Most previous studies on corporate social responsibility, focused on corporate social responsibility expenditure on performance of organizations (such as Abogun, Fagbemi and Uwuigbe, 2013). However, it is important to examine factors influencing corporate social responsibility in mobile companies in Nigeria. There is also the need to examine the specific corporate social responsibility measures (such as educational related corporate social responsibility and employee welfare related corporate social responsibility on performance of telecoms organizations in Nigeria). This gap was adequately addressed in this study. Hence, this study contributes to the existing knowledge.

3. METHODOLOGY

The study examined CSR practices in MTCs in Nigeria. Primary and secondary data were employed for the study. The primary data was obtained from the staff of the selected MTCs, using structured questionnaire while secondary data was obtained from the financial reports of four major mobile telecommunications companies in Nigeria (namely MTN, GLO, ETISALAT and AIRTEL). Descriptive statistics was used to examine the factors influencing corporate social responsibility while panel data analysis was used to examine the impact of corporate social responsibility on the performance of mobile telecommunication companies in Nigeria.

Model Specification

The regression model for the study is as stated below:

$ROCE = f(CSR)$.....eqn(i)

$ROCE_{it} = \beta_0 + \beta_1 ED_{it} + \beta_2 EW_{it} + \varepsilon_{it}$.....eqn(ii)

Where:

ROCE = Return on Capital Employed

ED= Educational Related Corporate Social Responsibility (Proxy with expenditure incurred on educational activities of schools in the community)

EW= Employees' Welfare Related Corporate Social Responsibility (Proxy with expenditure incurred on health and safety of employees of MTCs in Nigeria)

β= Co-efficient of Regressors

ε = Error Term

Area of the Study

Four major telecommunication companies in Nigeria namely GLO, MTN, ETISALAT and AIRTEL were studied. Directors and Managers who were actually involved in corporate social responsibility issues were the main focus of the study.

Sample Frame

The sample frame was the list of all the Directors and Top Managers involved in CSR issues of the

telecommunication companies. The number of such officers constitute the sample population. This population elements were separated into non-overlapping group (strata) and samples were selected randomly from each stratum to obtain a stratified sample. This sampling method was adopted in order to avoid bias, save time and cost (Ogunbameru, 2003). Again, a stratified sample allows equal representation not only of all the ranks but simultaneously of all the top members of the telecommunication companies.

Sample Size

The sample population as presented in the sample frame, consists of 134 Directors and top Managers in all as workers in the telecommunication companies with the following distribution pattern viz: MTN-47, GLO- 36, AIRTEL-30 and ETISALAT- 21. Yaro Yamane formula for sample size determination was employed to compute the desired sample size as follows:

$$n = \frac{N}{1+N(e)^2}$$

Where n = Desired sample size
N = Sample population (134)
e = Error margin (5%)

Therefore, $n = \frac{134}{1+134(0.05)^2}$

$$n = \frac{134}{1.335} = 100.37.$$

The desired sample size of 100 respondents was then selected using systematic random technique from the stratified sample frame. For the secondary data, information were extracted from the four MTCs covering the period 2008 – 2014.

Design of Research Instrument

Questionnaire was the primary instrument for data collection. The questionnaire was in two sections. The first section was on demographic variables based on the profile of the Directors/Top managers of the telecommunication companies such as name of company, age of company, experience on the job in years, marital status, gender, highest academic qualifications, among others. The second section of the questionnaire contained mostly questions on core issues that centered on the types of CSR provided by the telecommunication companies, frequency of such provisions, amount spent on CSR based on the companies approved estimates in their budgets, etc. Respondents were also asked to rate factors such as infrastructural facilities, government policies, workers welfare which bordered on the internal environment (championed mainly by Trade Unions), legal requirements guiding the provision of CRS, pressure from the external environment(Civil Groups) on a 5-point Likert Scale of Strongly Agree(5), Agree(4), Undecided(3), Disagree(2), and Strongly Disagree(1).

Validity and Reliability of Research Instrument

A number of measures were taken to validate the questionnaire. The contents of the questionnaires were validated through a focus group interview with eight staffers of private telecommunication companies in Lagos. Reliability coefficient of the questionnaires was also determined.

Reliability is an assessment of the degree of consistency between multiple measurements of a variable (Pallant, 2007). Cronbach's alpha was used to assess the consistency of the entire scale. According to Hair *et al.*, 2003, Pallant; 2007, reliability scores greater than 0.70 are acceptable. Since all of the items had an alpha above the standard guideline of 0.70, the scale is suitable for analysis with acceptable reliability. Cronbach alpha score of 0.8154 was obtained for the entire scale. This indicates that there is internal consistency of the entire variable scale and that variable construct exhibited strong internal reliability. The questionnaires were constructed in simple prose devoid of ambiguity. It was also pre-tested on ten top telecommunication workers in the study area at the pilot stage. These workers did not participate in the study. Thereafter, comments, suggestions and corrections made by the respondents were incorporated in order to improve the quality of the questionnaire.

Data Analysis

Data was analyzed using SPSS version 20 for windows. Results were presented in descriptive statistics such as frequency, percentages, means and standard deviations. These were used to analyze the demographics of respondents. Simple multiple regression analysis was employed to evaluate factors responsible for CSR and influence of employee welfare on return on capital employed as presented in the formulated model. The robustness of this model was determined based on the values of the regression, t-test of each independent variable in the function, F-test of the overall equation, appropriateness of the signs on the regression coefficients as they conform to economic implications and number of statistically significant variables. Durbin Watson d* statistics was used to establish the level of auto-correlation between the dependent and explanatory variables.

4. RESULTS AND DISCUSSION

The profile in table 1 showed that the males (68%) at the management levels are more than their female (32%) counterparts. It may be due to the fact that men often pursue career development more than their female colleagues. Members of staff from age 26 years and above (98%) are in the management cadre. Telecoms sector is a hi-tech industry that requires a critical mass of highly skilled individuals who operate as managers and above. Hence, we can see 95% of the respondents have a minimum of B.Sc. degree and above. These set of managers require more of conceptual and human skills, than technical skills. 82% of the managers have working experience of 11 years and above. It is expected that having stayed longer in the industry, they would understand CSR and its attendant benefits to all stakeholders.

Table 1: DEMOGRAPHIC VARIABLES OF RESPONDENTS

NAME OF TELECOM COMPANY	No	%
Mtn	38	38
Glo	32	32
Airtel	16	16
Etisalat	14	14
TOTAL	100	100
GENDER		
Male	68	68
Female	32	32
TOTAL	100	100
AGE(Yrs)		
20-25	2	2
26-40	39	39
41-50	21	21
>50	38	38
TOTAL	100	100
MARITAL STATUS		
Single	6	6
Married	84	84
Divorced	6	6
Widow	4	4
TOTAL	100	100
WORKING EXPERIENCE(Yrs)		
<5	1	1
5-10	17	17
11-15	40	40
>15	42	42
TOTAL	100	100
EDUCATIONAL QUALIFICATION		
Ordinary National Diploma	2	2
Higher National Diploma	3	3
BSc Degree or Equivalent	60	60
MSc Degree or Equivalent	24	24
PhD	11	11
TOTAL	100	100

Source: Field Survey (2016)

Table 2 shows that there is internal consistency among each of the questions explaining the variables used in the study. The closer to 1, the more consistent and reliable the variables are. The Cronbach's Alpha gives a reliability coefficient of 0.8154. This therefore implies that all the variables used in the study are reliable and consistent.

Table 2 Reliability Statistics

Cronbach's Alpha	0.8154

Table 3 shows that 65 respondents (65%) strongly agree that infrasturctural facilities are significant determinant of CSR while 7

of them (7%) strongly disagreed. Equally, 10% of the respondents agreed and 6% of them disagreed respectively that infrastructural facilities are determinant of CSR while 10% of them are undecided. This means majority of the respondents are of the opinion that the provision of infrastural facility is a major determinant of corporate social responsibility.

Similarly, 20 respondents representing 20% strongly agreed that government policy is one of the determinants of corporate social responsibility. Also, 35% of them agree to that fact while 9% of them are undecided. On the other hand, 21% of the respondents disagreed while 15% of them strongly disagreed to the statement that government policies are determinant of CSR. Since the percentage of the respondents that agreed and strongly agreed is more than that of those that disagreed and strongly disagreed, it is shown that government policy is a determinant of CSR.

Equally, 36% constituting 36 of the 100 respondents strongly agreed that workers' welfare is one of the major determinants of corporate social responsibility. In addition, 16% of the respondents agreed. However, 18% of them disagreed and strongly disagreed respectively while 12% of them are undecided. Similarly 32 of the 100 respondents (32%) strongly agreed, 22% of them agreed and 8% (8) of them disagreed that legal requirement is a major determinant of CSR. Since those that agreed and strongly agreed are relatively higher, majority of the respondents responded that CSR is determined by legal requirements.

The result also indicates that majority of the respondents (53%) strongly agreed that pressure from civil groups is a determinant of CSR. However, few of them (10%) and 7% disagreed and strongly disagreed to that fact respectively while 15% of them are undecided. Therefore, the result shows that infrastructural facilities, government policies, workers' welfare, legal requirement and pressure from civil groups are determinants of CSR.

Table 3: Factors Determining CSR Activities

Factors	PERCENTAGE (%)					
	STRONGLY AGREE (5)	AGREE (4)	Undecided (3)	DISAGREE (2)	STRONGLY DISAGREE (1)	TOTAL
Infrastructural	65%	12%	10%	6%	7%	100%
Facilities	(65)	(12)	(10)	(6)	(7)	(100)
Government	20%	35%	9%	21%	15%	100
Policies	(20)	(35)	(9)	(21)	(15)	(100)
Workers Welfare	36%	16%	12%	18%	18%	100
	(36)	(16)	(12)	(18)	(18)	(100)
Legal	32%	22%	24%	8%	4%	100
Requirements	(32)	(22)	(24)	(8)	(4)	(100)
Pressure from Civil	53%	15%	15%	10%	7%	100
groups	(53)	(15)	(15)	(10)	(7%)	(100)

Source: Field Survey (2016)

The ranking of factors determining the level of CSR activity is presented in Table 4. The responses are reduced to two (Supported and Not Supported). Percentages of responses on Strongly agreed and Agreed are summed up to form Supported while Strongly disagreed and Disagreed are summed up to form Not Supported. The result shows that infrastructural facilities are ranked first followed by pressure from civil groups (2^{nd}) and government policies (3^{rd}). Equally, the responses showed that legal requirements ranked (4^{th}) while workers welfare (5^{th}) is the least factor determining CSR activities by mobile companies in Nigeria.

Table 4: Ranking of Factors Determining CSR Activities

Factors	Supported	Not Supported	Rank
Infrastructural Facilities	77	7	1^{st}
Government policies	55	36	3^{rd}
Workers' welfare	52	36	5^{th}
Legal Requirement	54	12	4^{th}
Pressure from Civil Groups	68	17	2^{nd}

Source: Field Survey (2016)

From the fixed effect result above, it can be observed that educational related corporate social responsibility negatively affect ROCE while employee welfare corporate social responsibility positively affect ROCE. A unit increase in education over time and across companies reduces ROCE by 0.06 units while a unit increase in employment welfare over time and across companies, increases ROCE by 0.0025 units. The results of the study revealed that education and employment welfare are both significant.

From the result of the random effect model in Table 6, it can be deduced that the elasticity of education given ROCE is 0.02 that is a percentage increase in Education increases ROCE by 0.02 percent. Though, this is statistically significant. Again, the result also indicates a positive relationship between employee welfare and ROCE, that is a percentage increase in employee welfare increases ROCE by 0.002 percent.

The result of the random effect model presented in Table 6 shows that log of education and employees variables are statistically significant. This is shown by the p-Value of education (0.001) and that of employee welfare with p-value (0.004). The wald-statistics (0.342) with p-value (0.004) indicates that the model is a good fit.

Hausman test was conducted to determine the use of either random or fixed effect results. The null hypothesis for Hausman test is that the model has a random effect. From the result of the Hausman test above, we fail to reject the null hypothesis of no random effect because the probability value is above 0.05 and we therefore adopt the random effect estimator, controlled for heteroscedasticity by getting a robust standard error.

Descriptive statistics and panel least square method of multiple regression analysis were employed to investigate the CSR in MTCs in Nigeria. The results of the study revealed that educational related CSR and employee welfare CSR are significant determinants of return on capital employed by MTCs in Nigeria and therefore the null hypothesis that states that educational related CSR and employee welfare CSR does not impact significantly on return on capital employed by MTCs in Nigeria should not be accepted is consistent with the study of Abogun, Fagbemi and Uwuigbe (2013). This relationship between CSR activities and firm performance aligns itself with the study of Fu and Shen (2015), Jie and Hasan (2016) which also found a positive association between CSR and firm Performance. The study also revealed that infrastructural facilities, government policies, employees' welfare, legal requirements and pressure from Civil Groups are factors influencing corporate social responsibility in mobile telecommunication companies in Nigeria.

Table 5: Fixed and Random Effect Results

Fixed Effect				
	Coefficients	Std. Error	t	p-value
Education	-.0643034	.0844403	-2.76 0	.002
Employee Welfare	.0025224	.0560851	2.04 0	.043
Constant	1.413427	1.512141	0.93 0	.366
	Prob > F = 0.0038			
Random Effect Results			Z	
Education	.0198565	.0777453	2.34	0.001
Employee Welfare	.0021377	.0644582	4.41	0.004
Constant	-.000111	.264174	-0.34	1.000
	Prob > chi2 = 0.004			
	Wald chi2(2)= 0.342			

Dependent variable: ROCE

Source: Field work (2016)

5. CONCLUSION AND RECOMMENDATIONS

In summary, the study has established that investment into educational activities and employee welfare in the form of CSR significantly drives the performance of MTCs. Thus, study concluded that CSR is a significant determinant of return on capital employed by MTCs in Nigeria. Considering the effects of educational related CSR on return on capital employed, MTCs in Nigeria should intensify effort on financing education vide bursary awards, granting of scholarship to brilliant students, construction of block of classrooms and lecture halls, construction of e-libraries in tertiary institutions, award grants to lecturers in the field of science, technology and engineering, engagement of extra teachers in science subjects, all these

measures with the intent to enhance the financial performance and wider and greater acceptability of the most friendly MTC organization. In addition, improvement in workers welfare and perquisites of office will motivate workers toward better performance and ultimately improve the return on capital employed.

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