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# Corporate Social Responsibility Practices in Mobile Tele-Communications Industry in Nigeria

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#### Abstract

The study assessed the impact of corporate social responsibility (CSR) practices in the Nigerian telecommunication industry (2006 – 2011) by evaluating the factors influencing CSR adoption. Primary data were obtained from pretested questionnaire administered to 400 respondents (stakeholders and telecommunication staff) across the six geopolitical zones of Nigeria using a purposive sampling technique. Secondary data on the annual reports of the company (2007-2011) were examined. Data were analyzed using appropriate descriptive and inferential statistics at P<0.05 significant level. Results revealed that CSR impacted positively on the environment, telecommunication staff and stakeholders. Factors that influenced CSR practices were identified as  $X_1$ (competition),  $X_2$ (subscribers demands),  $X_3$ (pressure from civil and human right group),  $X_7$ (service quality),  $X_9$ (legal requirements), and  $X_{10}$ (infrastructural decay). The study concluded that MTN CSR policy is on course but grossly inadequate in view of the colossal profits made by the company over the study period.

Key words: Nigeria telecommunication industries, Corporate Social Responsibilities

#### 1. Introduction

Since the advent of mobile telecommunication into Nigeria arising from deregulation and liberalization of the economy in 2001, the Global System for Mobile Communication (GSM) industry have been responsible for the employment of millions of Nigerian citizens, either as distributors or retailers of GSM phones, recharge card sellers or GSM phone repairers. This sector has in no mean way boost the country's economy.

As the most active sector in the Nigeria, the corporate social responsibility role expected from the operators cannot be over-emphasised. According to Altschuller and Smith (2011), stakeholders expect companies to manage the social and environmental impacts of their operations. In response to these agitations, many organizations have adopted corporate social responsibility (CSR) programmes. Many of such programmes are not integrated into the organization's operations but are merely taken as philanthropic gestures, public reporting through newspaper and television media so as to give the notion that they are practicing CSR. Occassionally, some apply environmental and labour standards that suit them to satisfy basic requirements of the laws of the land.

Given the impact of the GSM advent into Nigeria, the wide acceptability of this mode of communication, the role it plays in the Nigerian economy, CSR ought to be taken seriously by the mobile communication service providers. It should not have to be forced on organizations neither by the law, governments, civil rights groups nor by the communities. Onwuegbuchi (2009) averred that "CSR is the deliberate inclusion of public interest into corporate decision making and the honouring of a triple bottom line of people, planet and profit". In other words, CSR policy entails self-regulation, adherence to rules and regulations, ethical standards, environmental responsibility and sustainability, consumers' satisfaction, employee welfare, communities and stakeholders benefits.

Many organizations in Nigeria are driven by the need to make more and more profits to the detriment of all the stakeholders. Some do not adequately respond to the needs of host communities, employees' welfare (cheap labour often preferred), environmental protection and community development. Research has shown that CSR can increase profitability, sustainability, integrity and reputation of any business that includes it in its policy. Nkanga (2007) posited that CSR involves the commitment shown by companies to contribute to the economic development of a local community and the society at large. The adoption of CSR policy should not be driven or motivated by increased profit. Rather, giving back to the society that gave to the business first should be the motivating factor. It is a common practice by Nigerian organizations to put as one of their mission statements the provision of corporate social responsibility. The organizations must have realized that stating CSR as one of their mission statements hold special appeal to the stakeholders. Hence, there is an increasing awareness and recognition accorded CSR by corporations.

Some critics according to Carpenter, et al.,(2010) have argued that CSR as implemented by some organizations is mere superficial window-dressing. It is widely believed by many that CSR efforts are mere campaigns by organizations to promote corporate brands. Many Nigerians are ignorant of CSR; hence, whenever an organization does something 'supposedly big' for the society, such a company and its management are eulogized for being caring and philanthropic.

This study therefore investigates and assesses CSR practices in the Nigerian telecommunication sector. Specifically, the study evaluates the factors influencing CSR adoption. It also determines the impact of telecoms industry on the environment in which they operate.

## 1.1 Literature Review

The Nigeria industrial and manufacturing sector is in four groups, viz: multinational enterprises (MNEs), national, regional and local. Many of these companies have either folded up due to infrastructural decay, unstable government policies, inadequate basic imported raw materials, power failure in terms of inadequate electricity which has made the cost of business very high in Nigeria. This indeed portends doom for the Nigerian nation. Despite the challenges however, the remaining surviving and viable companies try to fulfill CSR expectations. How well they do this is another question.

A very popular definition of CSR by Lord Holme and Richard Watts in the World Business Council for Sustainable Development's publication 'Making Good Business Sense'.....the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large" (Wikipedia.com). CSR entails giving back to the society some of the benefits and gains realized from the society. The desire of most organizations is to have a positive impact on the society where they are generating revenue. Helg (2007) noted that CSR has the potential to make positive contributions to the development of society and businesses.

Most studies in Nigeria on CSR merely focused on the oil and gas industries and other multinationals. This is not surprising because the oil and gas companies' activities have major impact on the environment and they are believed to be making huge profits from their operations, ditto the MNEs. However, all businesses, whether large or small have important roles to play in the nation's development. Nigerian businesses are faced with peculiar challenges of infrastructures, ranging from bad roads, insecurity of lives and properties, cost of paying upfront on cashflow, high volume cash transaction, lack of credit, environmental challenges, incessant power outage, etc. Business practices may be unsustainable in such an environment. Nigeria, with a population of 157 million people (MTN 2011 Annual Report) has an economy that is largely monolithic, depending on oil revenues. The manufacturing sector has not been vibrant due to infrastructure inadequacy, lack of basic raw materials and inconsistent government policies. The telecoms sector surprisingly have been experiencing rapid growth and contributing substantially to the nation's gross domestic product (GDP).

### 1.1.1 Various views of Corporate Social Responsibility

CSR has the capacity and potential to impact and contribute positively to the development of society and businesses. Helg (2007) averred that several definitions of CSR are formed to fit any organization in question. The definitions mainly are formed to integrate economic, environmental and social aspects. Carroll (1991) indicated that CSR embraces for social responsibilities which are economic, legal, ethical and philanthropic. The economic aspect is responsibility to profit; the legal component deals with the society's expectation from companies to comply with the laws and regulations of the land; ethical deals with society's expectation from companies to embrace value and norms; philanthropic responsibilities entail companies being good corporate citizens.

Another conceptual framework for understanding CSR is the implicit versus explicit CSR. Matten and Moon (2004) posited that explicit deals with corporate policies with the objective of being responsible for what interests society while the implicit CSR is a country's formal and informal institutions that give organizations an agreed share of responsibility for society's interests and concerns. Implicit CSR are values, norms and rules which result in requirements for corporations to address areas that stakeholders consider important. Three dimension definition by Lohman and Steinholtz (2004) view CSR as a combination of three separate agendas, namely: sustainability, corporate accountability and corporate governance. Sustainability implies balancing the social, economical and environmental areas in the world to avoid threatening long term survival. Corporate accountability deals with organisation's credibility and ability to manage resources properly while corporate governance deals with the manner an organization is run with transparency and trustworthily.

In as much as the telecoms industry is affecting the lives and Nigerian economy, there is the need that their activities do not compromise Nigerians lives and environment. The World Commission on Environment and

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Development (1987) defined sustainable development as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Companies should not only be concerned with profit generation, but be mindful of social and environmental values. The European Union's Green paper on CSR defined CSR as a "concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis" (Green paper promoting a European Framework for Corporate Social Responsibility, 2001).

Going back to Carroll's (1991) assertion, CSR in the Nigerian nation will have economic responsibilities as the highest on the ladder. Such responsibilities may include economic development of the host community, payment to federal, state and local governments, use of local suppliers, hiring of local labour, corporate governance, etc. Philanthropy follows economic responsibilities on the ladder; next is legal while in the bottom of the ladder is ethical. Amaeshi, et al., (2006) observed that indigenous Nigerian companies practice CSR as corporate philanthropy to cater for the country's socio-economic challenges. Many African countries place emphasis on economic responsibilities due to poverty ravaging the continent philanthropy is given the second highest priority. Gray, et al., (2001) noted that factors which shaped CSR practices are cultural and national differences.

The European Foundation for Quality Management (EFMQ) (2004) posited that there are three dimensions of CSR. These are social, environmental and economic. The social responsibilities entail training and developing local labour, contributing expertise to community programmes, human rights, labour rights, among others. The environmental responsibilities involve precautionary approaches to prevent or minimize adverse impacts, support for initiatives promoting greater environmental responsibility, developing and diffusing environmentally friendly technologies. For instance, the usage of biodegradable materials in place of hazardous solvents may be introduced for environment preservation. The principal legislation for the environment is Decree 86 of 1992 on Environmental Impact Assessment (EIA) compulsory for every private and public sectors developmental projects.

#### 1.1.2 Common Characteristics of CSR

The European Foundation for Quality Management (EFMQ) (2004) noted the following as common characteristics of CSR:

- Meeting the needs of current stakeholders without compromising the ability of future generations to meet their own demand. This is quite important because the quest for profit has made many corporations to turn blind eyes to the hazardous effects of their corporations' activities on the environment.
- Organizations tend to adopt CSR willingly and rather not as a legal requirement. This is because they perceive its adoption to be in the long term benefit of their organizations
- CSR integrates social, environmental and economic policies in the day to day business of corporations
- CSR is accepted as a core activity which must be embedded into an organisation's management strategy.

## 1.1.3 Benefits of incorporating CSR to an Organisation

Quite a number of benefits may accrue to any organization that incorporates CSR. Some of these are increased brand value; greater access to finance; a healthier and safer workplace; stronger risk management and corporate governance; motivated people and community; customer loyalty; enhanced confidence and trust of stakeholders; an enhanced public image and economic success (EFMQ, 2004; Asa, 2007; Reimers, 2009; Andrew, 2009; Tuodolo, 2009; Elizaveta, 2010).

Any organization that incorporates CSR as a core business is not doing any special favour to the society but is indirectly creating more avenues for a greater growth, success and profitability for its business. Reputational damage may occur for failure to incorporate CSR. Mirfazli (2008) discovered in his research that failure to carry out social responsibilities will cause more harm to a business than any good. Unethical business practice is no longer fashionable even in a country as poverty-ridden as Nigeria. Such can only attract negative feedback to any organization due to increased media attention, responsive and investigative journalism as well as increased social media in Nigeria. Ethical responsibilities do attract and retain the best workers in an organization. Researches also revealed according to Diffey (2007) that consumers prefer to patronize who are alive to CSR practices. The author went further to say that with the coming of knowledge economy; corporate behavior has no hiding place. Human rights cannot be infringed upon anyhow and business reputation must be guarded jealously due to quick information flow through various media such as mobile telephoning, newspapers and magazines, television, radio and internet. Elizaveta (2010) claimed that CSR business attracts the best workers and bring more customers to any organization.

She went further to add that companies without CSR most often fail sooner or later and that big organizations appear

to understand this, thereby they set up strategies to assure stakeholders of being socially responsible. Companies with CSR policies get the best workers, shareholders, customers and a happier community and society. The economy and the capital market also recognize that sustainable companies are businesses of the future.

Many African countries, including Nigeria are highly dependent on foreign aids and grants. Pederson and Huniche (2006) observed that economic responsibilities are accorded the highest priority by organizations in Africa. Others such as philanthropic, legal and ethical follow respectively. The socio-economic needs in Nigeria are so enormous that companies must come to the aid of people and environment where government has failed. Amaeshi, et al., (2006) averred that indigenous perceive CSR as corporate philanthropy to address the socio-economic challenges in Nigeria. The failure of the federal government controlled economy (despite the super abundance of natural and human resources) to develop the country is a major driver of CSR.

The mobile telecommunication industry in Nigeria comprises MTN, Globacom, Airtel, Etisalat, Multilinks, Starcomms, Vodaphone, Zoom mobile and Visaphone. Nigeria, so far has maintained the lead as Africa's largest telecoms market (Mathew-Daniel, 2012). This is not surprising given Nigeria's population of over 160 million people. The deregulation of the telecommunication sector was as a result of the failure of the Federal government – controlled NITEL (the only telephone service provider until 2001). NITEL had only about 500,000 subscribers in a country of about 140 million people as at then. Telephone lines in homes were not for the poor, it used to be a sign of affluence or wealth in Nigeria. The active subscribers of GSM in Nigeria have hit 127.2 million people. The GSM services have brought in a lot of benefits to the economy such as ease of business transaction, communication, e-banking services, among others. This is not to say it did not come with other demerits as well such as health and safety issues related to base stations and radio frequency, emissions, noise, air and ground pollution (MTN, Annual Report, 2005).

Company	
	CSR activities
Vodaphone	Mobile banking for Africans; Networks built to give emergency workers better access; Screening of mobile video content for users with kids
Airtel	Education support such as school furniture project in the Niger Delta; Health intervention such as breast cancer project and National Action Committee against Aids(NACA) support; monthly free sms and airtime bonus; sinking of boreholes in communities
Glomobile	Sports sponsoring is the major CSR focus. Others are establishment of call centres for unemployed youths in partnership with National Poverty Eradications Programme (NAPEP); Partnership with Niger Delta Development Commission (NDDC) towards poverty eradication; Supports annual Nigerian Institute of Management competition for young managers ; sponsorship of Glo Naija sings and Glo heritage series- 'ojude-oba' and 'ofala' festivals
Etisalat	Educational development to work with broadband technology; sponsorship of CSR department in the Lagos Business School; Annual Merit Award/ scholarships to Nigerian University students; Health intervention
Visaphone	Provision o f helmets and jackets to 'okada riders (mororcycle riders)
MTN	Education intervention; Economic empowerment such as giving micro-credit, skill acquisition, employment creation, capacity building; Health intervention in malaria and AIDS treatment; bio-degradable recharge cards that do not damage the environment; Housing intervention; MTNF- F.L.O.W project in partnership with Integrated Dairy Farm Ltd for the Fulanis; MTNF Disability Support project (CDC), 'Disability and U'

The CSR activities as claimed by the various mobile operators in Nigeria are as shown in the table below:

	road show and seminar; MTNF skill acquisition project for people living with									
	disabilities in partnership with the Friends of the Disabled; Sport sponsorship; popular									
	TV Quiz- Who wants to be a millionaire?; Seamless roaming									
Starcomms Supports the Nigerian Police Force in crime fighting by providing subs										
	private network (VPN), reflective jackets, ENDO Rev, mobile internet connectivity,									
	touch lights, etc; Co-sponsorship of a number of events such as Lagos State Boxing									
	Event, Nigerian Society for The Blind's SME Project; CDMA base stations constructed									
	and maintained by local contractors									
Multi-links	Distribution of wheel-chairs to the physically challenged; silver sponsor of West									
	African ICT congress (2009); scholarship to students and various sales promotion									
	efforts whereby lucky Nigerians win items such as cars, television sets, among others.									

Source: Mobile Telecommunications Websites.

Etisalat Nigeria is one company that did not wait to start reaping profits from Nigeria before embarking on CSR. Since the company's advent into Nigeria market, it started CSR activities. Olaleye (2011) observed that MTN may actually not be a subscriber friendly network due to higher tariffs and failure to give freebies like other providers. Rather than giving out stipends, MTN tries to impact lives through corporate social responsibility activities. A percent (1%) of the company's profit after tax is claimed to be spent yearly on CSR. This, the company started since 2004 even though MTN commenced operation in Nigeria since 2001. Alabede (2011) summed it up that it is natural for corporate organizations to reciprocate the kind gestures of communities by improving the environment and the lives of people contributing hugely to their successes and achievements. Corporate sponsorship and donations of these telecoms organizations can therefore be seen as CSR. However, Olaleye (2011) added that some multinational ICT companies in Nigeria belief that government should be responsible for her citizens. Hence, they have not been adding values to Nigerians and they show little or no concern to Nigerians welfare.

### 1.2 Methodology

#### 1.2.1 Research Design and Method of Data Collection

There are nine operators in Nigeria's telecoms industry. All of them constitute the population of this study. Since the intention of this study is to determine the motives and factors influencing CSR adoption as well as the impacts the telecoms sector have on the Nigeria environment, it was decided in the study to assess the CSR practices in the biggest organization in the sector which is MTN Nigeria(). CSR activities from 2006 - 2011 in that corporation was examined.

Primary data were obtained from questionnaire administered to respondents across the six geopolitical zones of Nigeria. 100 questionnaires were administered to the staff of MTN, Nigeria as well as 50 subscribers and people living close to where telephone masts were erected in each of the six geopolitical zones, totaling 400 questionnaires in all. In each zone, interview was also conducted to elicit responses to compliment the questionnaire administered. Out of the 100 questionnaire administered to MTN staff, only 80 were retrieved. Out of the 300 questionnaire administered to other stakeholders, 287 were retrieved and 15 were not properly filled and therefore not usable. In all, 352(88%) questionnaire were used for the purpose of analysis. Two sets of questionnaire were issued to the two groups in the study. The first group comprises the staffs of MTN Nigeria which were selected using stratified random sampling technique. The second groups were stakeholders such as subscribers, distributors, people living close to where masts are erected and members of the public. They were selected through purposive random technique. Each set of questionnaire was also divided into two segments. The first part of each questionnaire were on demographic factors such as age of firm, years of experience or operation, level of education, among others. The second part bear questions on core issues in relation to CSR activities as it relates to various stakeholders. Open and close –ended questions were asked. The responses to the questions were rated on a 5-point Likert scale. The respondents in the two categories were given opportunity to express other concerns and opinions in the questionnaire administered.

Some of the questions asked bordered on mobile network quality, coverage and service. We sought to know the benefits to communities from the service providers operating in their areas. Respondents were asked questions on environmental effects of base station, effect of noise pollution, air and water pollution, roles in poverty alleviation, level of awareness of recycling such items as damaged mobile phones and batteries. The questionnaire issued to staffs sought to know the degree of environmental effect of base station and electromagnetic fields on human health, quality of service and network coverage, employee rights and benefits, the relationship of the company with Nigeria Communication Commission, employee reward, job security and recognition of hard work, European Journal of Business and Management ISSN 2222-1905 (Paper) ISSN 2222-2839 (Online) Vol 4, No.8, 2012

security of company's properties, among others. Respondents were also asked to rate on a 5-point Likert scale the effect of factors such as competition( $X_1$ ) subscriber's demands( $X_2$ ), pressure from civil and human right groups( $X_3$ ), government policy( $X_4$ ), workers welfare( $X_5$ ), organizational culture( $X_6$ ), service quality( $X_7$ ), environmental issues( $X_8$ ), legal requirements( $X_9$ ) and infrastructural decay( $X_{10}$ ) influencing the adoption of CSR. Statement of Hypotheses

The two hypotheses formulated for this study were stated in the null forms  $(H_0)$  and they are as stated below:

H<sub>01</sub>: CSR adoption by mobile operators has no significant impact on stakeholders in Nigeria.

H<sub>02</sub>: Other factors and profit motives do not influence CSR adoption in the telecoms industry

# 1.2.2 Model Specification

#### (a) Multiple regressions

In the model, the adoption of CSR, which was assumed to be a function of 10 variables, is mathematically expressed as:

 $CSR = f(X_1, X_2, X_3, X_4, X_5, X_6, X_7, X_8, X_9, X_{10}) + U_1$  .....(1) Where CSR = adoption of CSR

 $X_1 = competition$ 

 $X_2$  = subscriber's demand

 $X_3$  = pressure from civil and human right groups

- $X_4$  = government policy
- $X_5$  = workers welfare
- $X_6$  = organizational culture
- $X_7$  = service quality
- $X_8$  = environmental issues
- $X_9 = legal requirements$
- $X_{10} = infrastructural decay$

 $U_1$  = stochastic error term

The adoption of CSR (dependent variable) was regressed against the listed factors (independent variables) in order to determine the degree of influence of these factors and their impact on CSR activities.

1.2.3 Method of Data Analysis

Descriptive statistics of percentage, mean, standard deviation were used to analyze the demographic variables and some of the questions on core issue. Secondary data were obtained from the organization's records and annual accounts for the years 2006 - 2011 and were fully discussed. Inferential statistics of multiple regression analysis and analysis of variance (ANOVA) were employed to evaluate the factors influencing CSR adoption, determine its impact on the environment and test the formulated hypotheses using a specified model at 5% level of significance.

# **1.3 Results and Discussion**

The total number of questionnaire used for analyses were 352(88%) out of 400. Results from 70% of questionnaire issued to MTN staffs showed that they had a minimum qualification of B.Sc. in various fields ranging from Engineering, Accounting and Information Technology. Others (30%) had lesser qualifications such as OND, HND, NCE and O' Level certificates. This implies that MTN has a critical mass of highly skilled individuals who have the requisite knowledge that is needed to manage modern technology especially in the telecom industries.

In Table 1, MTN staff acknowledged that the coming of other networks into the telecom business brought down the tariff tremendously because of competition in prices. The impact caused by the entry of competitors was rated 3.85 on a 5-point Likert scale. In spite of the wide coverage area by MTN, the telecommunication firm was rated high (3.76) by respondents in terms of the quality of service. However, this result is at variance with the one obtained from stakeholders on CSR(Table 2) who were of the opinion that the quality of service provided by MTN was below average(2.39) on a 5-point Likert scale. This contradiction perhaps reinforces the assertion of Altschuller and Smith (2011), who advocated that stakeholders expect companies to genuinely manage the social and environmental impacts of their operations instead of paying lip service (2.64) to environmental management or recourse to self adoration by public reporting through newspaper and television media so as to give the notion that they are practicing CSR. MTN staff averred that adequate care of host communities was undertaken by their firm as shown in Table 1. This view was corroborated by majority of the shareholders( in Table 2) who score MTN fairly high (3.28) in terms of youth empowerment and at the same time provides housing support, education and health needs of host

communities(3.52).Detail activities of MTN which were copiously mentioned in literature include but not limited to education intervention; economic empowerment such as giving micro-credit, skill acquisition, employment creation, capacity building; health intervention in malaria and AIDS treatment; bio-degradable recharge cards that do not damage the environment and housing intervention. Furthermore, MTNF- F.L.O.W project in partnership with Integrated Dairy Farm Ltd for the Fulanis; MTNF Disability Support project (CDC), 'Disability and U' road show and seminar; MTNF skill acquisition project for people living with disabilities in partnership with the friends of the disabled; sport sponsorship; popular TV Quiz- Who wants to be a millionaire?; Seamless roaming among others(www.mtn.org 2012). Nevertheless, one of the factors that might have hampered CSR effort was lack of awareness of recycling opportunities for damaged phones and batteries (2.90) on the part of their customers (Table 2). If customers were aware of this, used handsets and batteries would have been returned to the company in exchange for new ones while the old ones could be properly discarded or recycled. This will not only cut down the cost of production but would also assist in checking environmental hazards.

In Table 3 above, the annual reports for MTN (2007-2011) showed that total revenue from 2008 increased progressively though arithmetically through the years. So was market share until 2011when the share market plummeted to 50% in spite of the increase in total operating expenditure. This decrease in market share could be due to the global economic meltdown which was at its peak. Also, EBITDA continued to be on the increase.

The regression results obtained in the evaluation of the factors that influenced the adoption of CSR are shown below. The semi log form of equation (1) at a p-value of 0.05 significant level was found to be more adequate because results obtained there from had the highest  $R^2 = 78.3\%$ , F value of 76.8% with a Durbin Watson test statistics of 2.04 which showed that the independent variables had no auto-correlation with the disturbance error term.

 $CSR = 0.457 + 1.6 \ln X_1 + 1.8 \ln X_2 + 1.32 \ln X_3 + 0.213 \ln X_4 + 0.52 \ln X_5 + 0.136 \ln X_6 + 0.015 \ln X_7 + 0.03 \ln X_8 + 1.74 \ln X_9 + 0.015 \ln X_7 + 0.03 \ln X_8 + 1.74 \ln X_9 + 0.015 \ln X_7 + 0.03 \ln X_8 + 1.74 \ln X_9 + 0.015 \ln X_7 + 0.03 \ln X_8 + 1.74 \ln X_9 + 0.015 \ln X_7 + 0.03 \ln X_8 + 1.74 \ln X_9 + 0.015 \ln X_7 + 0.03 \ln X_8 + 1.74 \ln X_9 + 0.015 \ln X_7 + 0.03 \ln X_8 + 1.74 \ln X_9 + 0.015 \ln X_7 + 0.03 \ln X_8 + 1.74 \ln X_9 + 0.015 \ln X_8 + 0.015 \ln$ 

 $+0.457 \ln X_{10}$  (2)

************	)(-)					
(1.034	) (1.512)* (3.327)* (5.635)*	(1.688) (1.555)	(1.646)	(0.342)* (1.042)		(1.435)*
(0.141)*						
R2	AdjR <sup>2</sup>	F		DW	P<0.05	
0.783	0.738	0.768		2.04		

In equation (2) parameters  $X_1$ ,  $X_2$ ,  $X_3$ ,  $X_7$ ,  $X_9$ , and  $X_{10}$  were significant at P<0.05. This implied that the above-named factors were those that greatly influenced and impacted positively the adoption of CSR by MTN in Nigeria. However, variable  $X_7$  (service quality) though significant, was poor (0.015). This outcome were in tandem with earlier findings in Carrol, 1991; Amaeshi et al; 2006, and Olaleye, 2011in the literature.

The ANOVA Table 4 showed that the calculated F value was 76.8. This shows that the model was of good fit and adequate. The calculated F-value was greater than the tabulated  $F_{1,9}$  value of 3.14. Consequently, the formulated null hypotheses for the study which state as follows:  $H_{01}$ :

CSR adoption by mobile operators has no significant impact on stakeholders Nigeria.

H<sub>02</sub>: Other factors and profit motives do not influence CSR adoption in the telecoms Industry

are rejected and the alternative hypotheses accepted because CSR adoption did not only have positive impact on the welfare of the stakeholders but was also motivated by the desire to make profit among other factors(Tables 1 and 2).

#### **1.4 Conclusion**

The study concluded that MTN CSR policy is on course but grossly inadequate in Nigeria when viewed from the colossal profits that had accrued to the telecommunication company. Hence it is suggested that the company should do more especially in improving its service quality which was revealed by the study to be poor. Government should in this regard, create a salubrious environment for the telecommunication company to achieve her lofty objectives.

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Variables	1	2	3	4	5	Mean	Std. Dev	Coeff. of Var %
1)Quality of service provided and widest coverage of the nation	7	11	9	20	33	3.76	1.35	48.4
2)Higher tariffs compared to other networks is justified by CSR practices	13	5	10	28	24	3.56	1.39	54.5
3) Effect of electromagnetic fields, base stations and masts have negative impact on workers health	8	13	12	26	21	3.53	1.18	39.7
4) Aggressive price competition impacts negatively on network quality and affects quality service delivery	12	7	13	25	23	3.50	1.38	54.3
5) New entrants into the industry brought lower tariffs	8	3	8	35	26	3.85	1.20	37.7
6) The company maintains a cordial relationship with the industry regulator and partners with government in infrastructural development	14	6	5	28	27	3.60	1.45	58.8
7)The Company follows regulations and standards regulating their activities	6	8	5	36	25	3.83	1.18	36.0
8)Adequate recognition, reward and training of workers to maintain and retain skilled workforce	9	11	16	23	21	3.45	1.31	49.9
9)Employees rights are respected by the company	13	12	12	26	17	3.28	1.39	56.9
10)MTN is propelled by profit motive and she takes adequate care of host communities	13	17	11	19	20	3.20	1.44	64.4

Table 1: Responses from MTN staff on CSR Activities

Variables	1	2	3	4	5	Mean	Std. Dev	Coeff. of Var %
1)Provision of support to local suppliers	48	32	30	77	65	3.31	1.47	69.95
2) The Company assists in empowering unemployed youths and women in various skill acquisition programmes	42	50	28	60	72	3.28	1.46	65.24
3) Company is paying lip service to CSR using media to attract more patronage and garner more profit from the unsuspecting public	68	75	33	32	44	2.64	1.44	76.14
4) The Company provides housing support, education and health needs of host communities	29	39	34	71	79	3.52	1.38	53.98
5) The Company's presence improves commercial and socio- economic activities for communities	39	35	28	72	78	3.46	1.43	59.23
6) Adequate network coverage but poor communication	79	73	45	33	22	2.39	1.23	68.20
7) Negative impact on health from base station, emission and pollution	36	39	29	80	68	3.42	1.27	33.92
8) Higher tariffs in comparison with other networks	42	29	31	69	81	3.47	1.45	60.81
9)Lack of awareness of recycling opportunities for damaged phones and batteries	65	52	25	63	47	2.90	1.49	76.90

and batteries Table 2: Responses of other stakeholders on CSR activities of MTN

Year	2007	2008	2009	2010	2011
Total Revenue(Rads)					
Total Revenue	34,879	20,250	31,558	33,326	33,492
Total operating expenditure & earnings before Interest	8,645	13,310	13, 579	12, 412	13,343
Tax, Depreciation & Amortization(EBITDA) (Rds).	11, 605 )	18, 248	19, 746	21,080	21,536
Market Share (%)	43	44	50	52	50

Table 3: Annual reports of MTN, Nigeria (2007 – 2011) in Rands (Rds)

Sources of variation	Sum of squares	Degrees of freedom	Mean square error	r F	-value
Regression	131.636	1	131.6376	76.8	
Residual	15.426	9	1.714		
Total	147.062	10			

ANOVAs Table 4

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