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Impact of Corporate Social Responsibility on Organizational Performance of Quoted Firms - The Brewery Sector: Evidence of Nigerian Breweries PLC 2014 – 2018

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Abstract— **This study investigated the effect of Corporate Social Responsibility on profit after tax of Nigerian Breweries plc from 2014 to 2018. The objective of this study is to ascertain the relationship between Corporate Social Responsibilities on profit after tax of Nigerian breweries plc. Data for the study was sourced secondarily, from Nigerian Breweries Plc and its annual reports and accounts. Hypotheses formulated in the study were tested using the multiple linear regressions statistical tool. Findings from the ANOVA revealed that the probability value of 0.557 was obtained implying that the regression model was insignificant in predicting the relationship between corporate social responsibility (CSR) and Profit After Tax (PAT) since it was greater than α =0.05. The R square was 0.794 which implies that Public Health Development (PHD), Public Education and Scholarship (PES) and Public Water Development (PWD) accounted 79.4% to the changes on profit after tax. Also, the study specifically found that Public Health Development (PHD) and Public Water Development (PWD) had a negative significance effect on Profit after Tax (PAT) while Public Education and Scholarship (PES) had positive relation and significant effect on Profit after Tax (PAT).**

Index Terms—**Corporate Social Responsibility, Public Health Development, Public Water Development, Public Education and Scholarship, profit after tax.**

I. Introduction

The increase in global environmental awareness and the campaign for sustainable economic development is redirecting the attention of firms towards environmental costs, various government regulations, societal pressure groups and green consumer pressure are some of the current trends and recent developments reawakening corporate attention to the strategic and competitive role of a firm's responsibility to corporate performance (Acti Ifurueze, Lyndon & Bingilar, 2013).

Corporate business activities create interactions between the corporations and the society within which they operate. A business needs a healthy, educated workforce, sustainable resources, and adept government to compete effectively culled from Solomon, Oyerogba & Olaleye, (2014). Corporations usually participate in some environmental and social activities within their environments to ensure a conducive and friendly business environment. These social and environmental activities may include monetary donations and aid given to local and non-local non-profit organizations and communities, donations of money and materials to motherless homes and government hospitals, award of scholarship to indigent students, control of environmental air, land and water pollution .drainage cleaning, constructions and free donation of public school buildings, construction of roads, public toilets, employment of disabled persons etc. These Corporate participations and involvements in social and environmental activities are referred to as corporate social responsibility. Corporate social responsibility (CSR) creates favourable goodwill and makes social and business environments conducive and friendly. A conducive and friendly social and business environment will enable corporations to achieve their main objective of profit and shareholders ''wealth maximisation''. Also, CSR implementation can provide opportunities to a firm and lead to added value. It improves reputation and the enhancement of social community to the most expected positive results of CSR while the decrease of short- run profitability and conflict among social and financial goals are the possible negative outcomes in the view of executives culled from Holmes (1976) & Cramer (2003) cited in Solomon, et al., 2014).

Businesses are therefore, facing growing expectations and pressure from varied stakeholders (Arvidsson, 2010; Basu & Palazzo, 2008). Considering the enormity of these pressures, companies find it progressively harder to stay away from undertaking CSR initiatives (Ofori & Hinson, 2007). Consequently, CSR has been seen as a tool with which the businesses can independently take actions that lead to better levels of global sustainability (Santos, 2014) as well as higher value creation for the business. Social responsibility of business encompasses the economic, legal, ethical, and discretionary (philanthropic) expectations that society has of organizations at a given point in time. Izzo (2014) is of the opinion that CSR is not only about complying with the law but also about anticipating its requirements to build more sustainable businesses, and ultimately, it is about creating value in the long term: value for customers, value for employees, value for communities, value for society, value for shareholders and value for debt holders. It has become a strategic tool for improving the lot of society and also creating economic and non-economic values for the business. In the view of Galbreath (2006) cited in Anlesinya, (2016), CSR should not be remote from a company's strategy.

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Indeed, the strategic significant worth of CSR is also well acknowledged by policy makers and corporate managers as most have gained various strategic benefits from pursuing CSR strategy, policies and actions.

CSR has been defined 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 (European framework for Corporate Social Responsibility, 2001). A company is not only an economic entity but a social and political entity also. Most of the creditors, debtors, employees and the society at large in one way or the other (Uadiale & Fagbemi (2012) cited in Madichie, Nwekwo & Nnadi, 2018). Promoters of CSR have argued that companies should integrate economic, social and environmental concerns into their business strategies, their management tools and their activities going beyond compliance and investing more human, social and environmental capital (lee & park, 2010), cited in Madichie, et al., 2018) have in their previous study observed that there is relationship between CSR and Financial performance.

Today heightened interest in the role of business organizations in society has been promoted by increased sensitivity to the awareness of environmental and ethical issues. It means our society has become increasingly concerned that greater influence and progress by firms have not been accompanied by equal effort and desire in addressing important social issues including problems of poverty, drug abuse, crime, improper treatment of workers, faulty production output and environmental damage or pollution by the industries as it has overtime been reported in the media. It is therefore very essential for all to realize that public outcry for increased social responsibility will not disappear if business organizations fail to respond to the challenges these had posed for the society (Adeyanju, 2012) cited in Iya, Badiya & Faiza, (2015).

A. Background information of Nigerian Breweries plc

Nigerian Breweries Plc, the pioneer and largest brewing Company in Nigeria was incorporated in 1946. In June 1949, the Company recorded a landmark when the first bottle of STAR lager beer rolled off its Lagos Brewery bottling lines. This first brewery in Lagos has undergone several optimisation processes.

In 1957, the Company commissioned its second brewery in Aba. This was followed by Kaduna Brewery in 1963 and Ibadan Brewery in 1982. In 1993, the Company acquired its fifth brewery in Enugu and in 2003, a sixth brewery (Ama Brewery), sited at Amaeke Ngwo in Enugu State was commissioned. Ama Brewery remains the biggest brewery in Nigeria. Operations in the old Enugu Brewery were discontinued in 2004 following the completion of Ama Brewery. An ultra-modern malting plant was acquired in Aba in 2008.

In October 2011, the Company acquired majority equity interests in two companies, Sona Systems Associates Business Management Limited (Sona Systems), with two breweries in Ota and Kaduna, and Life Breweries Company Limited (Life Breweries) with a brewery in Onitsha. Sona Systems and Life Breweries were merged with the Company in the middle of 2012. Another malting plant was acquired in Kaduna (as part of Kudenda Brewery) as a result of the acquisition of Sona Systems. At the end of 2014, an enlarged Nigerian Breweries Plc emerged from the merger with Consolidated Breweries Plc. Three breweries at Imagbon, near Ijebu Ode, Awo-Omamma and Makurdi were added to the existing eight breweries as a result of the merger.

Thus, from a humble beginning in 1946, the Company has grown to eleven breweries from which its high quality products are produced and distributed to all parts of Nigeria, in addition to the two malting plants in Aba and Kaduna. It also has Sales Offices and Depots across the country.

As a major brewing company, Nigerian Breweries Plc encourages the establishment of ancillary businesses. These include manufacturers of bottles, cans, crown corks, labels, cartons, plastic crates and service providers such as hotels/clubs, distributors, transporters, event managers, advertising and marketing communication agencies.

The Company was listed on the floor of The Nigerian Stock Exchange (NSE) in 1973. As at 31st December, 2018, it had a market capitalisation of approximately N684 trillion, making it the second largest company in Nigeria by market capitalization (GUINNESS NIGERIA | 2018 ANNUAL REPORT).

Generally speaking, a company's social responsibility statue should be one of performance indicators that are needed because company legitimacy can be achieved by showing activities that are in accordance with local stakeholder value. In achieving harmony between the organization's corporate social responsibility i.e. economic, political, technological, legal and organizational performance responsibility like resources, structure, organizational culture, leadership style, manner of exercising the power, management needs to learn more reliable resources to excel and be able to compete in the competitive environment.

Management in their quest in achieving their objectives use certain techniques and procedures as well as maximum resources exploitation. Firms are also often challenged to increase their shareholders stake which is often achieved through (Nnamani, Onyekwelu & Ugwu, 2017) taking responsibility for the impact of their activities on customers, employees, shareholders, communities and the environment in all aspects of their operations and surrender some of their profits to their stakeholders (Post, James, 1999 cited in Emmanuel, 2014).

Engaging in socially responsible activities not only improves stakeholder satisfaction, but also has a positive effect on corporate reputation (Orlitzky, Schmidt & Rynes, 2003) and reduces the financial risk incurred by the firm (Orlitzky and Benjamin, 2001).

The CSR policy seeks to provide socially responsible products and services to host community as well as sponsor projects that will enable sustainable growth in areas of leadership, education, health, environment and building meaningful relationships with their stakeholders (Bayagbon, 2012). A business enterprise is primarily established in creating value by producing goods and services which society demands. It therefore seems that the practice of CSR will further pose a burden on the organizational performance of Nigeria breweries Plc from 2014 – 2018. In the light of the above problems faced by most breweries in the brewery sector, there is the need to evaluate the impact of CSR on the profitability of the brewery sector in Nigeria

II. Objective of the Study

The main objective of this study is to evaluate impact of corporate social responsibility on organizational performance in the brewery sector of quoted firm in Nigeria: Evidence of Nigeria breweries Plc from 2014 – 2018. The specific objectives are;

1. To determine the impact of Public Health Development (PHD) on Profit after Tax (PAT) of Nigeria breweries Plc from 2014 – 2018
2. To evaluate the impact Public Education Scholarship (PES) on Profit after Tax (PAT) of Nigeria breweries Plc from 2014 – 2018
3. To ascertain the impact Public Water Development (PWD) on Profit after Tax (PAT) of Nigeria breweries Plc from 2014 – 2018

III. Statement of Hypotheses

The following hypotheses were formulated and addressed in this study:

1. Public health development (PHD) of the community has no significant impact on profit after tax (PAT) of Nigeria breweries Plc from 2014 – 2018
2. Public education scholarship (PES) has no significant impact on profit after tax (PAT) of Nigeria breweries Plc from 2014 – 2018
3. Public water development (PWD) has no significant impact on profit after tax (PAT) of Nigeria breweries Plc from 2014 – 2018

IV. Review of Related Literature

B. Conceptual Framework

The Concept of Corporate Social Responsibility (CSR)

The concept of CSR was not known clearly in the first half of the twentieth century, where corporations were trying to maximize their profits by all means (Dabbas and Al-rawashdeh, 2012). According to Alkababji (2014) CSR developed because of the expansion and globalization of the world economy which led to the emergence of multinational companies with economic power greater than the gross domestic product of many small or developing countries.

Therefore, business activities correspondingly have a more extensive effect on society than ever before. In addition, with many developed countries recently experiencing severe financial crisis, society increasingly requires that companies take responsibility for environmental conservation, employment, safety, and local community development—areas that previously were primarily the responsibility of national governments (Alkababji, 2014).

In general, CSR means that companies take into consideration the concerns of a wide range of corporate stakeholders (e.g., shareholders, employees, suppliers, customers, government, and the local community) and incorporate principles of social fairness and environmental sustainability into the business process (Alkababji, 2014).

According to Carroll and Buchholtz (2003) corporate social responsibility can be defined as the "economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time". According to Adeyanju (2012), in Okegbe, & Egbunike, 2016) "CSR is a term describing a company's obligation to be accountable to all its stakeholders in all its operations and activities. Socially responsible companies will consider the full scope of their impact on communities and the environment when making decisions, balancing the need of stakeholders with their need to make a profit". "CSR is concerned with treating the stakeholders of the firm ethically or in a socially responsible manner. Since stakeholders exist both within a firm's and outside a firm, hence, behaving socially and responsibly will increase the human development both within and outside the corporation" (Adeyanju, 2012, cited in Okegbe, & Egbunike, 2016).

C. Theoretical Review

ElKington (1997) reiterated via his triple bottom line approach theory, that capitalism must satisfy legitimate demands for economic performance. With this, ElKington (1997) echoes Adam Smith's theory of the firm - that the firm has one and only one goal – to satisfy the desires of shareholders by making profits. However, profit may not be attainable if the environment in which the business operates is neglected. A corporation which accommodates the triple bottom line approach (social, economic and environmental performance) is contributing to sustainable development.

Legitimacy Theory

Legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper or appropriate within some socially constructed system of norms, values and definitions (Bassey, Sunday and Okon, 2013). Legitimacy theory offers a powerful mechanism for understanding voluntary social and environmental disclosure made by corporations and that understanding would provide a vehicle for engaging in critical public debate (Tilling, 2004). The problem for legitimacy theory in contributing to the understanding of accounting disclosures specifically and as a theory in general is that the term has occasionally been theory itself and the observation could be equally applied to a range of theories in a range of disciplines. Legitimacy theory suggests that a firm may be in one or four phases with regard to its legitimacy.

Stakeholder Theory

Why does a firm include CSR in its operation? Freeman (1984) suggests that it is because of the firm's stakeholders. Freeman (1984) defines a stakeholder as "any group or individual who can affect or is affected by the achievement of the firm's objectives". Stakeholders include shareholders, creditors, employees, customers, suppliers, regulators, and public interest groups. The expectations of each stakeholder can be different, so corporate management must best match corporate resources and policies with the stakeholders' interests. A CSR model is then developed to include the external influences which assume adversarial positions to the firm's; for example, regulatory and special interest groups, such as NGOs. The origin of CSR then primarily involved obligations to society (Pintea, 2015).

III. Empirical Review

Olayinka & Temitope, (2012) in their analysis of corporate social responsibility and financial performance in developing economies: The Nigerian Experience observed that the potential to make positive contributions to the development of society and businesses. Organisations are beginning to see the benefits from setting up strategic CSR agenda. The increasing attention to CSR is based on its capability to influence firms' performance. The CSR movement is spreading over the world and in recent years a large number of methods and frameworks have been developed, the majority being developed in the West. This study focuses on developing economies and on Nigeria specifically. Using a sample of forty audited financial statements of quoted companies in Nigeria, this study examines the impact of CSR activities on financial performance measured with Return on Equity (ROE) and Return on Assets (ROA). The results show that CSR has a positive and significant relationship with the financial performance measures. These results reinforce the accumulating body of empirical support for the positive impact of CSR on financial performance

Iya, et al., (2015) investigated the impact of corporate social responsibility expenditure on the performance of First bank Nigeria plc proxy by profit after tax in Adamawa state from 2001 to 2014. The significance of this paper lies on the fact that its exposed the need for financial institutions to engage in corporate social responsibility expenditure so as to improve their profitability. Data for the study was sourced secondarily, through First bank pamphlets and annual reports. Ordinary Least Square Technique (OLS), Augumented Dikey-Fuller Technique (ADF), Breusch-Godfrey serial correlation LM test and Breusch-Pagan-Godfrey Heteroscedasticity test and Pairwise Granger Causality test were employed in the analysis of the data. The results of OLS revealed that increase in corporate social responsibility expenditure raised the performance of First bank Nigeria Plc in Adamawa state. The coefficient of corporate social responsibility expenditure is statistically significant and consistent with the theoretical expectation. The F-statistics value in result of this study indicated that all the parameters of the model are jointly and statistically significant at 1 percent significant level. It is obvious that the performance of First bank Nigeria Plc is low susceptible to change in corporate social responsibility expenditure of the bank as shown by their elasticity coefficients. The ADF unit root result revealed that all the variables of the model are stationary at 1 per cent and at first difference 1. The serial correlation and heteroscedasticity result revealed that there is no serial correlation and no heteroscedasticity in the data used. This study recommended that more attention must be directed towards increasing expenditure on corporate social responsibility in order that meaningful and desired performance of the bank can be achieved in the state.

Alexandra, (2016) considered that the issue of corporate social responsibility (CSR) strategy is gaining significant attentions among scholars in this millennium. It is seen as a new approach for companies, particularly, Multinational National Companies (MNCs) operating in developing countries to independently take actions that lead to better levels of societal development while simultaneously creating business values. His study therefore examined the nexus between CSR strategy and business values of MNCs in Ghana. The study also assessed whether MNCs' strategic orientation will mediate the relationship between CSR strategy and business values in Ghana. The study adopted quantitative research methodology. Employees of selected MNCs in Ghana were sampled. A total of 267 valid and usable questionnaires were used for the analysis. Structural equation modeling (SEM) was used to analyse the data to address the hypothesized relationships. The study shows that CSR implementation positively predicts business values (economic value, human capital value and reputational value). Additionally, the results indicate that CSR strategy significantly creates business values. However, CSR implementation proved to be better predictor of business values than CSR strategy, thus, emphasizing the age old adage that the sweetness of the pudding is in the eating. Furthermore, the strategic orientation of MNCs was found to also contribute indirectly to the effect of CSR implementation and CSR strategy on business values. His study therefore, concludes that CSR must not be regarded as a cost centre, but an investment instrument that can accrue various dividends such as improved financial status, better human capital outcomes, attractive and appealing corporate reputations. Hence, CSR strategies should be strategically integrated or aligned with the firm's strategic orientation. In this way, CSR strategy will continue to play its rightful roles in creating a healthy business and a just society, as well as maximizing nature's resources while minimising harms to the natural environment.

Adeoye & Elegunde, (2012) examined the impact of external business environment on organisational performance in the food and beverage industry in Nigeria. The minor objective of the paper is to investigate the influence of economic and political environment on organisational performance. A questionnaire was developed to collect information from 150 respondents from three (3) companies. Data collected were analysed using multiple regression analysis. The finding of the analysis shows that the external business environments (political, economic, socio-cultural, technological, etc.) have impact on organisational performance (effectiveness, efficiency, increase in sales, achievement of corporate goals etc.).They, recommended that organisations should pay more attentions to their environment by doing periodic scanning.

Abdulrahman, (2014) studied the impact of corporate social responsibility on the financial performance of Quoted Conglomerates in Nigeria. The research design adopted by the study was correlational and the sample was drawn from the eight (8) conglomerate companies quoted on the Nigeria Stock Exchange as at 31st December 2011. Due to the data availability of the companies and the fact that they are few in number, the study used census approach. The study used secondary data and the instrument used for the collection of the data was documentation. The data used were extracted from the annual reports of the conglomerates, NSE factbooks and Daily official lists of the NSE. The data was for the period of 6 years ranging from 2006-2011. The study used Multiple Regression Model as the techniques of analysis using SPSS 16.0 software. The study found that two of the independent variables (i.e. ER and CP) have significant positive impacts and other one (i.e. EMS) had negative impact. In line with the findings of the study, it was conclude that corporate social responsibility plays a significant role on the profitability of conglomerates in Nigeria. The study therefore recommends that companies should embark on more rendering of social responsibility as this could lead to more profitability improvement. Regulatory authorities should come up with clearly defined regulation on how to go about social responsibility issues of the companies and the government should ensure full implementations of the regulations.

Idowu, Temitope & Ilevbare, (2014), observed that Corporate Social Responsibility (CSR) integrates major areas of an organisation, including community, environment, ethics, workforce, human rights, responsibility in the market, vision and values and workplace. Much work has been done on organizations giving back to the environment and community; however other areas are rarely covered. The workforce is one of the major stakeholders of an organisation; it is an internal part of it and can either promote or tarnish the CSR image of the organization. Staff are part of an organizations' CSR success and this paper assessed the impact of Airtel Nigeria's CSR on staff' effectiveness and satisfaction at work. Structured questionnaires were administered to forty randomly selected staffs and two managers were interviewed from the two founding branches of the organization. The study showed that majority (57.5%) of the respondents does not understand the meaning of CSR; they see it as the organization being charitable and thus find it difficult to accept that it affects their effectiveness and performance at work. However, Airtel Nigeria did not relent in their CSR duties to staff and community. Thus the organization should provide effective CSR training and communication to enlighten their workforce on their CSR activities for staff.

Emmanuel, (2014), viewed Corporate social responsibility as a means whereby most corporations make contributions to the society in which they operate. The emergence of industrialization in the late nineteenth and early twentieth centuries brought in its trail a lot of harmful effects such as pollution, environmental degradation, forest depletion which compelled societies to require many corporations to use part of their profit to correct the harm so caused. For the past two decades, companies have been giving back to their communities a share of the benefits they have reaped from the environment. It can thus be assumed that corporate social responsibility does really enhance the economic benefits and the image of the firms or companies involved. It is therefore recommended that Ghanaian firms should not only to have a documented social responsibility policy but also to ensure that such a policy is adequately publicized and implemented.

Madichie, Nwekwo & Nnadi, (2018) in their paper examined the effect of corporate social responsibility and on the financial performance of selected oil and gas firms in Nigeria for the period of 2012 to 2016 quoted in the Nigerian Stock Exchange. Data were collected from the audited financial statements of the selected firms for a period of five (5) years. Using Net profit margin, Return on Equity and Return on Assets as proxies for financial performance, correlation and regression analysis were conducted. It revealed that CSR has a positive and significant impact on the Net profit margin, Return on Equity and Return on Assets of Oil and Gas under study. The study concluded that firms that are socially responsible continue to flourish, partly as a result of CSR activities yielding its return. Finally, the paper therefore recommended that Government as part of their responsibility should put in place policies that will create a good business environment for firms operating in Oil and Gas sector of the economy for them to increase their investment in Corporate Social Responsibility.

Joseph, Muhammed, Raji & Ibimidu, (2016) examined the impact of corporate social responsibility on the wellbeing of workers in the Nigerian banking system. Their objective was to know if adequate health facilities are provided for workers in the banks to meet their health needs when required. Their study was conducted among ten commercial banks in Ilorin North-Central Nigeria while primary data was retrieved through self-administered questionnaire from 160 participants. Participants were selected through a multi-stage sampling technique while the Statistical Package for Social Sciences (SPSS 19.0) was employed to analyse data retrieved from the field. Hypotheses formulated in the study were tested using the Chi-square statistical tool. Findings revealed that, 85.0% of the participants' employers provided for them health facilities even though only 55.1% of the health facilities provided were adequate. A significant relationship was also found between participants' wellbeing and health facilities provided $p<0.05$, while there was no significant relationship was between wellbeing of participants and adequacy of the health facilities provided by participants employers $p>0.05$. The study concluded that, even though some banks in the country provide health facilities for their workers, the health facilities provided are not adequate enough to meet the health needs of the workers. Their study however, recommended a more comprehensive health plan for bankers that cover lifesaving health care services such as intensive care, surgeries and other life threatening diseases.

Oyewumi, Ogunmeru, Oboh, (2018) used panel data set from banks in Nigeria, a developing country. Their paper examines the effects of Corporate Social Responsibility (CSR) investment and disclosure on corporate financial performance. Their results from the Wallace and Hussain estimator of component variances (a two-way random and fixed effects panel) suggest that CSR investment without due disclosure would have little or no contribution to corporate financial performance. Their paper supports the argument that firms could benefit both financially and non-financially from a strategic CSR agenda.

Ester, Mercedes & Joaquin, (2015) article investigated the relationship between corporate social responsibility and earnings management. Using panel data methodology on a sample of Spanish non-financial companies between 2005 and 2012, they found a negative impact of corporate social responsibility practices on earnings management. Corporate social responsibility is related to ethical and moral issues concerning corporate decision-making. Engaging in socially responsible activities not only improves stakeholder satisfaction, but also has a positive effect on corporate reputation. Their results show that corporate social responsibility practices may be an organizational device that leads to more effective use of resources, which then has a negative impact on earnings management practices.

Suneerat, (2017) investigated the report choices used for corporate social responsibility (CSR) disclosure and the determinants of CSR disclosure of firms listed on the Stock Exchange of Thailand (SET). Since 2014, firms listed on the SET have been required to disclose CSR in either an annual registration statement or a separate report called a sustainability report. It was, therefore, noteworthy to examine the choices these firms make in the first year of disclosure. The independent variables were hypothesized under three dimensions shareholder power (government ownership), corporate visibility (firm size and age), and economic performance (profitability and leverage). The results revealed that government owned firms or large firms are more likely to prefer the sustainability report. In addition, content analysis of CSR disclosure was conducted in three industries: resources, technology and industrial products. Nine CSR components with 43 indices were developed and used to score the disclosure of firms in the three industries. The three highest CSR disclosure items found were declaring concerns of human rights and equality, having a policy of anti-corruption, and generous giving. Moreover, this study found a positive relationship between the number of CSR disclosure items and government ownership; however, neither firm age nor economic performance in the year before was related to the CSR disclosure. These research findings support the proposition of the stakeholder theory affirming that firms carry out CSR activities because of their stakeholders' influence, and regardless of economic performance. In Thailand, stakeholders' influence and corporate visibility are significant determinants of the CSR disclosure.

Mercedes, (2015) investigated the bidirectional relationship between Corporate Social Responsibility and Financial Performance in Spanish listed companies. A complete theoretical framework based on agency, stewardship, dependency resources, and stakeholder theories provides the basis for the conceptual model. An important contribution is the use of a social behavioural index formed by four components: Global Reporting Initiative participation, Dow Jones Sustainability Index firm inclusion, Good Corporate Governance Recommendations compliance, and Global Compact signee. The conclusions drawn from the empirical study performed on the companies registered on the Madrid Stock Exchange demonstrate positive relationships in both directions, namely that the social is profitable and that the profitable is social, thereby originating a positive feedback virtuous circle. The results of this analysis have practical applications in the boardroom; they are proof that all social policies increment financial resources, and vice versa, that increased financial performances lead to greater social benefits. As a consequence, this paper encouraged all board members to seriously weigh investing financial resources in developing policies that boost the levels of social behaviour components in order to contribute globally to the improvement of society.

Emejulu, Nwoha & Onyekwelu, (2016), examined the effect of Corporate Social Responsibility on Financial Performance of Oil and Gas firms in Nigeria. A sample size of the study Population comprised of twenty (20) Companies in oil and gas sector that are currently listed and quoted in the Nigerian Stock Exchange (NSE). Subject to availability of sufficient and relevant data, three (3) firms (Oando Nig. Plc, Texaco Oil Nig. Plc, and Mobil Oil Nig. Plc) were purposively drawn from the pool of twenty (20). The study used a simple regression analysis to obtain the results of financial performance of these firms over the period, 2004 - 2014. The relative statistical tools like ANOVA, Correlation and Coefficient of determination were employed for analysis. The findings were that Corporate Social Responsibility cannot be determined by Earnings per Share (EPS). The implication of the findings is that Oil and Gas firms should renew their commitment to CSR and be more disposed to post extremely positive results of their financial performance.

IV. Methodology

Ex-post facto design was used because the data for this study already exists and hence, the researchers have no opportunity to manipulate or control the variables. The ex-post facto research design is also called causal comparative research and is used when the researcher intended to determine the cause-effect relationship between independent and dependent variables with a view to establishing a causal link between them. Data were sourced from Nigerian breweries plc annual reports, Nigerian stock exchange, Central Bank of Nigeria statistical bulletin and African financial reports from 2014 – 2018 (5 years) for this work.

Data extracted from the annual reports and accounts form the variables. Public Health Development (PHD), Public Education and Scholarship (PDS) and Public Water Development (PWD) as proxies for Corporate Social Responsibility (CSR) while Profit after Tax (PAT) as proxy for organizational performance where computed from the figures as reported in the annual reports from 2014 – 2018.

A. Method of the Analysis

The methods of data analysis used for this project were descriptive statistics, regression analysis and correlation analysis. Specifically, correlation was applied to measure the degree of association between different variables under consideration. These variables would be used to determine the trend of the selected variables over the years and to determine the relationship between them and Regression analysis respectively with a value of 0.05 (level of significance) that corresponds to a 95% confidence level. The software used for this analysis was SPSS version 22.0.

B. Model Specification

Model specification refers to the description of the process by which the dependent variable is generated by the independent variables (Inyiama & Ezugwu 2016) each model represented a given hypothesis, respectively. Also, this project used the following model for empirical study which was derived from the hypotheses; it includes: -

$$PAT = f(PHD + PDS + PWD + \varepsilon)$$

Where PAT = profit after tax
PHD = public health development
PDS = public education and scholarship
PWD = public water development

V. DATA ANALYSIS AND RESULTS

A. Data Presentation

The data gathered for the study were subjected to descriptive statistics, regression analysis and correlation analysis. The descriptive statistics involves the use of simple percentage. The inferential statistics specifically correlation was applied to measure the degree of association between different variables under consideration and to show the scale for the data which is interval.

B. Descriptive Statistics Analysis

The descriptive statistics shows that, the mean value of logPHD is 7.0958 with standard deviation of 0.24100. The mean value of logPES is 7.6784 with standard deviation of 0.32508 and ranges from 6.86 to 7.40. In addition, the mean value of logPWd is 7.05 and standard deviation of 6.8702 and ranges from 6.57 to 7.05.

The R square in model summary Shows 0.794 which implies that public health development (PHD), public education and scholarship (PES) and public water development (PWD) accounted 79.4% to the changes on profit after tax.

From the ANOVA results, the probability value of 0.557 was obtained implying that the regression model was insignificant in predicting the relationship between corporate social responsibility (CSR) and profit after tax (PAT) since it was greater than α =0.05.

With the coefficient/slope being negative, the findings depict an inverse causation between CSR and PAT. However, since the P-Value result equal to 0.637, 0.415 and 0.658; which is responsibility has no significant impact on Nigerian greater than the accepted threshold of α = 0.05, the findings reveal that CSR has effect on PAT of Nigerian breweries plc of the brewery sector quoted in the Nigerian stock exchange (NSE).

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
log10phd	5	6.86	7.40	7.0958	.24100
log10pes	5	7.24	7.97	7.6784	.32508
log10pwd	5	6.57	7.05	6.8702	.19331
log10pat	5	7.29	7.63	7.4960	.13453
Valid N (listwise)	5				

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.891[a]	.794	.177	.12205

a. Predictors: (Constant), log10PWD, log10PES, log10phd

ANOVAa

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.058	3	.019	1.287	.557[b]
	Residual	.015	1	.015		
	Total	.072	4			

a. Dependent Variable: log10PAT

b. Predictors: (Constant), log10PWD, log10PES, log10phd

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.479	2.755		3.078	.200
	log10phd	-.199	.311	-.357	-.641	.637
	log10PES	.261	.199	.630	1.312	.415
	log10PWD	-.228	.383	-.328	-.596	.658

a. Dependent Variable: log10PAT

VI. CONCLUSIONS AND RECOMMENDATIONS

The result of the study revealed that there was a negative relationship between log public health development (logPHD) and PAT which implies that any increase in logPHD then PAT decreases by 199 units. The coefficient of logPHD was statistically significant at 5% probability level. This was also collaborated by correlation coefficient in the model summary table which revealed that there was a negative relationship between PAT and logPHD as indicated by r = 0.891.

Given the f-statistics of 1.287 and a significant value 0.557 >0.05 indicates that logPHD and logPWD has a negative relationship with profit after tax (PAT), also ANOVA shows that logPHD and logPWD as part of corporate social Breweries Plc. The complexity and the dynamic nature of the modern business environment demand that for an organisation to remain competitive in this environment, modern concepts like corporate social responsibility activities are indispensable. So long as success in contemporary competitive business climate will continue to depend on improvements in production and service delivery, on respect for people, communities and the environment, it will be necessary to maintain a good and responsible public relations policy between the firm and its public to enable the firm to achieve its aims and objectives.

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