
Corporate social responsibility: are firms in Nigeria actually giving back or giving away?

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Abstract: Firms that are less rational in their socially responsible actions might just be giving away rather than actually given back because they are unable to prioritise their socially responsible efforts. The extent to which firms in Nigeria apply rational decision techniques for prioritising their socially responsible actions is unknown. Therefore, this study analysed three primary stakeholder groups to which firms concentrate their social responsibility efforts using analytic hierarchical process (AHP). Cross-sectional design, quota, simple random, and convenient sampling techniques were employed to obtain responses from 225 corporate affairs officers in various quoted companies. Responses were placed on a 3×3 matrix estimates of perception of primary stakeholder groups that received attention. Socio-cultural and economic stakeholders rated much lower than the priority accorded political constituency. Alternative priorities for the dimensions of stakeholder salience were also higher for legitimacy and power more than urgency. The implications of these findings were discussed.

Keywords: corporate social responsibility; CSR; stakeholder salience; analytic hierarchy process; AHP; Lagos metropolis; Nigeria.

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1 Background to the study

The challenge of corporate social responsibility in developing countries can be framed by a vision that was distilled in the year 2000 into the millennium development goals – “a world with less poverty, hunger and disease, greater survival prospects for mothers and their infants, better educated children, equal opportunities for women, quality of life of the workforce, and a healthier environment” (UN, 2006). Unfortunately, these global aspirations remain far from being met in Nigeria like many other developing countries today. The real question addressed in this article, therefore, is to what extent have business firms in Nigeria tackled the numerous critical issues of corporate social responsibility, human development and environmental sustainability? Corporate social responsibility (CSR) which refers to the basic idea that business organisation should seriously consider the adverse impact of its actions on society in which it operates (Carroll and Buchholtz, 2006), and redeem such impact through doing social good, has continued to remain a ‘front burner’ issue within the business community. According to Davis and Bloostrom (1975), social responsibility comprises a range of obligations of decision-makers to take actions which protect and improve the welfare of their primary stakeholders as well as society as a whole along with their own business economic interest.

Organisation theorists have been challenged about giving adequate attention to the role of the corporation to the larger society (Kochan and Rubinstein, 2000). Hopkins (2003) argued that CSR is concerned with treating the stakeholders of a firm ethically and in a responsible manner, while for Holme (1999), emphasis is on both ethical dimensions and the economic role of business. These views suggest that CSR is sustainable commitment to ethical behaviour and economic development while improving the quality of life of the workforce and their families as well as the local community and society at large (Oluwafemi et al., 2010; Burchell, 2008). Normative appropriateness of corporate action remained the primary focus of CSR, at least from theoretical point of view. Epstein (1987) argued that achieving outcomes from organisational decisions is concerned with attitude to specific issues or problems, which by some normative standard, have beneficial effects upon pertinent corporate stakeholders.

2 Problem analysis

Companies that are rational in their socially responsible efforts may increase their corporate performance in the long run. This is such companies would be better able to prioritise their social responsibility effort in ways that are beneficial to relevant stakeholders. It is important to note that studies have not sufficiently dwelt on the need for firms to accommodate and be held accountable for meeting CSR goals in their multiple stakeholder groups on acceptable quantitative and rational criteria. No research effort exist with respect to objective determination of the relative importance of ranking and ordering of factors within primary politico-economic and socio-cultural environments that Nigerian companies puts into consideration when performing their ‘socially responsible actions’. Preliminary investigation and observation by the researchers makes it doubtful whether or not firms are often rational in their decisions about social responsibility actions. To this end, CSR actions may be argued to be skewed

and influenced by subjective preferences of corporate decision-makers. This approach is likely to become detrimental to some important primary stakeholder constituencies and attainment of millennium development goals. Preliminary investigation suggests that most companies that claimed to be meeting their social obligations in Nigeria have neglected some critical primary stakeholder constituencies on which their operations have had adverse impact, whereas these firms have strategically concentrated more effort on constituencies in which they have made little or no adverse impact. This observable discrepancy may be adduced amongst other things to two major factors; absence of well articulated CSR standards, regular and effective audit, monitoring and control procedures on one hand, and failure of corporate decision-makers to subject competing stakeholder demands to objective rational quantitative analysis. To this end, firms in their response to stakeholder needs may be described as performing less than optimal socially responsible actions in their primary stakeholder groups. Therefore, a major question this study seeks to answer is: how can firms learn more about the significance of prevailing economic, socio-cultural, and political attributes in determining appropriate stakeholder groups to which their CSR effort should focus or be concentrated?

Theoretically, dominant themes on business ethics and CSR discourse are centred on the debate surrounding normative stakeholder theory (*Mattingly, 2004*). Stakeholder refers to any interest group in the environment of a business organisation that can affect, or is affected by the achievement of an organisation's objectives. Stakeholder is used within the context of this study to embrace the full range of constituencies that are deemed vital to the survival and success of the corporation to which it must give adequate attention. The normative stakeholder theory is rooted in the moral intuition that a firm's responsibilities to its various stakeholders should not only significantly extend beyond contemporary shareholders/stockholder approaches (*Hendry, 2001*). Rather, it should strike a balance in the distribution of economic and social benefits and risks amongst primary stakeholders. It simply posits that stakeholders share benefits and risks arising from a firm's operations equitably. Nevertheless, it is common knowledge in that in reality situation occur where wide gap exist between what businesses do in practice and what exist in theory. According to *Carroll and Buchholtz (2006)*, businesses have continued to be under intense scrutiny and pressure the extent to which they perform social good. Allegations that have been levelled includes; little concern for the consumer, little concern for the welfare of the workforce, lack of concern about deteriorating social order, little concern about ethical behaviour, indifference to minority and environmental concerns amongst others. According to *Freeman (1984)*, understanding of the priorities and dealing with identifiable stakeholders offers to perceptive company strategic and cognitive efficiency advantages over merely conceiving an organisation's environment as being composed of innumerable individuals and institutions.

The objective of this study, therefore, is to investigate the extent to which companies prioritise their CSR actions in the relevant socio-cultural, politico-economic stakeholder groups among firms in Nigeria in a manner that stakeholders equitably share benefits and risks arising from their operations. Achieving proper alignment between stakeholders' needs and priority and CSR actions will produce a good fit between the organisation and its environment, thus increasing the probability of the organisation's success and profit objective.

At least in the normative sense, it argues that long-term business success require a firm to develop and integrate relationships with its multiple stakeholders within a comprehensive management strategy (Post et al., 2002) in a rational manner. It provides the basis for analysing and managing the numerous and diverse relationships that arise within the enterprise – environment interface. The purpose of stakeholder management is to facilitate a clear understanding of, and thereby ability to manage effectively, within an increasingly complex and unpredictable external environment and foster close alignment between CSR actions and stakeholders needs (Wolfe and Putler, 2002) and the firm's profit objective. To achieve this priority attention must be given to a firm's primary stakeholders. The objective of giving priority to primary stakeholder is to develop an efficient stakeholder management strategy that would harmonise the needs of stakeholders with the objective of the organisation in order to optimise social good to society and benefit to the firm (Mattingly, 2004). Achieving this will require decision-making technique incorporating multiple subjective decision criteria which would help optimise social responsibility efforts in the respective stakeholder constituencies. Prioritising socially responsible actions in the salient stakeholder groups suggests that managers rationally approach issues of stakeholder management from the viewpoint of comparative cost advantage in which emphasis and attention is given to those stakeholders that are strategic to achieving overall corporate survival. Elkington (2004) advocated a variant of the multiple stakeholders group and coined the 'triple bottom line concept'. This concept encapsulates three key spheres of sustainable socially responsible actions – economic, social and environmental constituencies. The economic sphere refers to the firm's creation of material wealth in form of financial income and assets, the social sphere is concerned with quality of life of workers and society at large and equity among people, communities and nations, and environmental covers protection and conservation of the natural environment (Zadek, 2001).

3 Purpose of the study

The overriding purpose of this study is first, to determine which stakeholder constituency firms concentrate their socially responsible action and second, to demonstrate the appropriateness and applicability of the analytic hierarchical process (AHP) in making rational decisions with respect to stakeholder constituencies where socially responsible action should be emphasised. In its basic form the AHP is a multidimensional decision-making tool which provides a ranking of alternatives by constructing a preference as well as importance weights of the attributes and sub-attributes that could be used to select a decision priority (Saaty, 1988, 1990), for instance, in primary stakeholder constituencies. AHP deals with dependence among variables or clusters of a decision structure to combine statistical and judgemental information. The evaluation process involves criteria which are related to one another in a hierarchical form. The basic assumption of the AHP is the fact that hierarchies are basic to human way of breaking down realities into levels or categories. In order to validate the conceptual framework for the study, it is hypothesised that; *attributes of the economic, socio-cultural, and political environment will significantly predict stakeholder constituency where firm should concentrate their social responsibility actions.*

4 Methodology

The design of the study, characteristics of the population, the sample size and sampling procedure, description of the instrument used for the data collection, as well as the analytical procedure employed are outlined in this section as follows. The study design adopted is cross-sectional design. Survey questionnaire was designed to tap key constructs of the study. Validated questionnaire was used to collect the relevant data from participants. Questionnaire consists of measures of the study constructs on five-point Likert type scales. The study constructs are naturally occurring concepts. In other words, no effort was made to manipulate or control for any variable in the study.

5 Population

The population of study include randomly selected large multinational and indigenous corporations quoted on the Nigeria Stock Exchange (NSE). The objective is to obtain responses from relevant actors and personnel particularly with respect to their roles in the CSR efforts for their respective organisation. Respondents include and limited to lower and middle level managers in the community/government relations department, corporate services divisions, corporate affairs unit, and labour relations managers of these organisations. The study participants include corporate affairs personnel (supervisors, middle and lower level managers) in the corporate affairs divisions of both indigenous and multinational companies were randomly identified and sampled for the study using the snowballing approach. The respective sampling frame for the study includes employees of the corporate affairs offices. There is need to point out here that the various units handling corporate affair functions were given different organisational nomenclature in the different organisations that were included in the study. The study recognises these differences in assigning questionnaires to the respective organisation for responses. Participants include only corporate affairs employees from both lower and middle management levels in the organisations of study. The choice of corporate employees is informed by, first, the fact that only these categories of employees are very knowledgeable about CSR efforts of their respective organisation. Second, they are essentially responsible for implementation of the policies with respect to stakeholders from time to time. Third, they constitute the operational staffs that have direct working relationship with the company stakeholders in their respective CSR areas. It is believed that accurate account of their perception of organisational response to stakeholders would be more useful in gaining an insight into factors that could determine their relationship (recognition of, attitude to, and responsibilities to salient stakeholders) with their companies. Top management are excluded based on the fact that they essentially represent the policy formulation and decision-making organ (employer) of the organisation with respect to stakeholders. As such the study considers their view may not be as valid as that of the actual operators of the policy they have passed down. Thus, they are not included in the sampling frame.

6 Study instrument

The study employs survey questionnaire specifically designed for the purpose of teasing out participant assessment of perceived of social responsibility efforts of the organisations of study in the three domains of interest; socio-cultural, economic, and political-legal environments of the organisation. Carroll (1979) sample checklist of responsibility was adapted into test questions. Questions were constructed based on the researchers' familiarity with the attributes of the social, economic, political, cultural, and legal attributes of a firm's general environment that can be used to predict corporate affairs officer judgement of their relevant stakeholder salience. In addition their ratings on the stakeholder salience were obtained using three criteria for stakeholder salience; power of stakeholder, urgency of required corporate action, and legitimacy of stakeholders claim were employed to construct evaluation matrix for the criterion variable of interest. Questionnaire was validated through pilot study and administered through electronic mail to corporate/public affairs officers of the sampled companies. Weight estimates of stakeholder salience were arranged on 3×3 matrixes for the respondents for adoption into the AHP using the Expert Choice analytical tool.

7 Procedure

The study was conducted in two stages, the pilot study, and the main study. The pilot is an exploratory approach using the interview technique to investigate key problems and issues surrounding the CSR and stakeholders' salience and to validate the scales that were finally included in the main study. The main study entails survey of the study population using the snowballing technique. Convenient sampling was then used to select the participants for the study after approval has been obtained from relevant authorities for the purpose. The objective is to capture the appropriate segment of the population in a manner that would justify participants' inclusion criteria and external validity. Questionnaires were distributed to participants for the study using multistage and snowballing sampling techniques to select the particular organisations. Using the snowballing approach, responses were drawn from several multinational and indigenous companies. A total of 245 respondents were obtained and 225 were considered usable for analysis.

8 Statistical analysis

The study employs a methodology for estimating the weights in form of subjective value matrix for the company's approach to their respective stakeholder. The resulting data was fed into the statistical analysis tool called 'expert choice'. The expert choice statistical tool is a robust multi-parameters decision-making optimisation process which accepts subjective rankings of preference responses for decision integration. In particular, the statistical tool makes use of AHP. The AHP is a utility-generation technique which was developed by Saaty (1980) to provide a systematic means to quantify decision-makers'

perception in situations involving primarily qualitative criteria. Decision-making with respect to stakeholders' salience typically follows complex procedures in which diverse stakeholder groups are treated with socially responsible actions in different subjective manners in order to arrive at a decision which meets a predetermined objective. AHP seeks to translate subjective value judgements of corporate affairs officers into quantitative measures that can be used to optimise decisions on salient stakeholders in order to achieve the best CSR objectives using the least possible cost requirements. AHP involves three basic elements:

- Describing a complex multi attribute problem as hierarchy.
- Estimating the relative weights for importance (or preference, influence, likelihood, etc.) of various criteria (or sub-criteria, decision-makers, alternatives, state of nature, etc.) on each level of the hierarchy.
- Integrate relative weights in order to develop an evaluation of the hierarchies in line with the overall objectives of the problem. See Uzoka (2006) for a review of the algorithm steps of the AHP.

9 Results

First, the demographic description of study participants is as follows. A total of 225 participants were involved in the study. Participants cut across organisations from major sectors of the Nigerian economy namely; oil and gas, financial institutions, telecommunication and manufacturing sectors. The study sample is made up of males 144 (63%) and females 81 (37%); Christians 175 (80%) and 40 (18%) were Muslims, 200 (93%) of the respondents lie within age range of 25–40 years. Specifically, the demographic dimensions of designation and status were also surveyed. Participants range from corporate affair managers, officers, supervisors, company secretary, senior brand manager, project director, business monitoring analyst, etc. The mean and standard deviation for the three stakeholders' constituencies were obtained. The data generated from the study questionnaire in the form of trade-off matrix of responses obtained from the CSR manager and supervisors and allied designations. The matrix was formulated by arranging various stakeholders from each of the three stakeholder constituencies along the three salience criteria on a scale of 0–9 in a hierarchical order with the overall goal of stakeholder salience. The resulting matrix were thus fed into the computer and analysed using the AHP software of the Expert Choice. Measurement of preferences involves a pairwise comparison of evaluation variables, which are rated on the relative strength of importance of an item on one variable over another, represented on an absolute scale. Comparison is done from the top level of the hierarchy to the bottom level (three levels) in order to establish the overall priority index.

Table 1 AHP values for respondent one for economic stakeholder group

	<i>Legitimacy</i>	<i>Power</i>	<i>Urgency</i>
Legitimacy	1	2	7
Power	1/2	1	6
Urgency	1/7	1/6	1

Table 2 AHP values for respondent one for socio-cultural stakeholder group

	<i>Legitimacy</i>	<i>Power</i>	<i>Urgency</i>
Legitimacy	1	2	9
Power	1/2	1	7
Urgency	1/9	1/7	1

Table 3 AHP values for respondent one for political stakeholder group

	<i>Legitimacy</i>	<i>Power</i>	<i>Urgency</i>
Legitimacy	1	1/2	8
Power	2	1	9
Urgency	1/8	1/9	1

The sum of AHP values for the total numbers of the study sample were obtained in similar manner.

Table 4 Goal: stakeholder salience

	<i>Economic</i>	<i>Socio-cultural</i>	<i>Political</i>
Economic	1	1	1/2
Socio-cultural	1	1	1/2
Political	2	2	1

10 Level one analysis

The pairwise comparison matrices for level one criterion for the three stakeholder constituencies are as shown in Table 4. The AHP deals with dependence among variables or clusters of a decision structure to combine statistical and judgemental information. The evaluation process involves criteria which are related to one another in a hierarchical form (Expert Choice, 1986). The data generated from the study questionnaire in the form of trade-off matrix of responses obtained from the corporate social responsibility manager and supervisors and allied functions.

Table 5 Priorities for economic, socio-cultural, and political stakeholders' salience with respect to the three salience contingencies

<i>Stakeholder salience</i>		<i>Weight</i>		
		<i>Economic</i>	<i>Socio-cultural</i>	<i>Political</i>
1	Legitimacy	.582	.597	.357
2	Power	.348	.346	.589
3	Urgency	.070	.057	.054
	Inconsistency	0.03	0.02	0.04

Note: With zero missing judgements

In the same manner, the relative importance of each stakeholder salience along the three criteria can be evaluated. Table 5 is the summary of the utility values for the salience criteria for each of the stakeholder constituency economic, socio-cultural and political, as

well as the aggregate. For each constituency the utility values sum up to unity. Result indicates that for the economic stakeholder constituency corporate organisation, respondents perceived that economic issues are viewed as salient priorities and within the salient economic stakeholders (.582), power of the stakeholder (.348) also determine the priority for socially responsible action.

Similar results was obtained for the socio-cultural factors, however, the political constituencies show slight variation in the priority and utility values (.597). Also, the power of the political stakeholder (.589) determines the extent to which corporate organisations consider the political stakeholders constituency as salient. The inconsistency index measures the degree of inconsistency in the judgement of the respondents with respect to the data for stakeholder salience in the respective stakeholder constituencies. The value of inconsistency index for economic (.003), socio-cultural (.002) and political stakeholders (.004) are within the acceptable range of (0.1) or less, indicating that the results generated are reliable in terms of the sample data obtained.

11 Level two analysis

The pairwise comparison matrices for level two criteria for the three stakeholder constituencies are as shown in Table 6. The second stage of the AHP analysis performed for this study establishes the relative importance of the stakeholder constituencies to be given support. The survey data was aggregated for each of the stakeholder constituencies.

Table 6 Priorities for economic, socio-cultural, and political stakeholders' salience with respect to the three salience contingencies

<i>Stakeholder salience</i>		<i>Weight</i>		
		<i>Economic</i>	<i>Socio-cultural</i>	<i>Political</i>
1	Legitimacy	.582	.582	.796
2	Power	.367	.367	.125
3	Urgency	.051	.051	.079
	Inconsistency	0.03	0.05	0.05

Note: With zero missing judgement

Result reveals synthesis of the computation of the eigen values and the eigenvector. This synthesis when multiplied by 100 yields the percentage of relative priorities, expressed in a linear form to give the eigenvector. The implication of the eigenvector is that it expresses the relative importance of one attribute over another in the judgements made by respondents.

12 Level three analysis

The pairwise comparison matrices for level three criteria for the three stakeholder constituencies are as shown in Table 7. The third stage of the AHP analysis performed for this study establishes the relative importance of the stakeholder constituencies to be given support. The survey data was aggregated for each of the stakeholder constituencies and the result reveals.

Table 7 Priorities for economic, socio-cultural, and political stakeholders' salience with respect to the three salience contingencies

<i>Stakeholder salience</i>		<i>Weight</i>		
		<i>Economic</i>	<i>Socio-cultural</i>	<i>Political</i>
1	Legitimacy	.606	.309	.342
2	Power	.333	.582	.577
3	Urgency	.06	.109	.081
	Inconsistency	0.01	0.00	0.03

Note: With zero missing judgement

Following the synthesis is the rating of the stakeholder salience on each stakeholder constituencies. Aggregate of the three salience dimensions were also obtained for the three stakeholder constituencies. The pattern of results obtained is quite revealing. CSR actions for socio-cultural (.250) and economic (.250) constituencies at the first level of synthesis appears much lower than the priority accorded political constituencies (.500). This suggests that CSR action amongst corporate organisations in Nigeria has significant political undertone than economic and socio-cultural considerations.

Table 8 Priorities for aggregate stakeholders' salience the three salience contingencies

<i>Stakeholder</i>		<i>Weight</i>		
		<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
1	Economic	.250	.143	.400
2	Socio-cultural	.250	.286	.200
3	Political	.500	.571	.400
	Inconsistency	0.00	0.00	0.00

Note: With zero missing judgement

As shown in Table 9 alternative priorities for the three dimensions of salience is higher for legitimacy (.47311) and power (.46815) whereas it is low (.05874) for urgency.

Table 9 Alternative priorities for the three salience contingencies

<i>Stakeholder</i>		<i>Weight</i>		
		<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
1	Legitimacy	.473114000	.6875378000	.4378635000
2	Power	.4681515000	.2474980000	.4830618000
3	Urgency	.0587371500	.0649641800	.0790747000

The results above indicate that decision-makers in corporate organisations in Nigeria tend to place moderate emphasis on stakeholders legitimacy and power but less emphasis on urgency.

13 Discussions

The study set out to contribute to the advancement of knowledge in the field of corporate governance, in particular, top management attitude towards CSR in Nigeria. The study

approached this issue purely from salient stakeholder viewpoint. Specifically, it investigated the extent to which corporate affairs personnel perceived factors in the economic, socio-cultural and political stakeholder groups as determining stakeholder salience among selected corporate organisations in Nigeria. The concept of stakeholder is deceptively simple in the sense that it is quite easy to identify individuals and groups that are affected by, or affect corporate action and achievement of an organisation purpose and objectives. However, in terms of managing relationship with them, it is quite complex. The result of the analysis, on the aggregate, ranked political motive higher than economic and socio-cultural motives respectively in terms of power dimension. It also ranked legitimacy attribute of salience high for economic stakeholder group. Overall, the analyses ranked urgency least for the three stakeholder groups. By implication, manager does not consider themselves under undue pressure to attend to CSR except for those issues that are politically imperative. From the above, it follows that this study tilts more in favour of political, economic and socio-cultural stakeholder constituencies in order of importance.

Mattingly (2004) argued that recent happening suggests that firms in capitalist societies may be in the midst of accountability crisis. While it can be argued that managing stakeholders have achieved some measure of progress in the developed countries, such level of achievements are rare in developing countries. In Nigeria for instance, it is feared that firms' attitude towards socially responsible actions is generally less than desirable due to lack of adequate managerial will, ethical consideration and absence of rational decision approach by firms, among other concerns, in prioritising their performance of socially responsible actions. Absence of regulatory framework for enforcing socially responsible behaviour among firms often constitutes major setback. Such crisis may be argued to have taken worst toll on certain stakeholder groups with grave consequences for adverse enterprise – environment interface.

The general perception is that firms are not giving enough back to the society in which they operate and that existing social responsibility effort are not carried out in the appropriate stakeholder group. This has for instance manifested in the magnitude of crisis in the Niger Delta characterised by hostage takings, pipeline vandalism, illegal bunkering, rampant communal clashes, and a host of other socio-political upheavals. From this viewpoint, there is an emerging challenge with respect to how to manage competing stakeholders' interest (Ansoff, 1984). As a result of inadequacy of the legal framework, lack of the political will by government to compel firms to perform beyond what currently obtain, firms have been unable to prioritise their socially responsible actions resulting to inadequate strategic response to important stakeholder constituencies. Mitchell and Agle (1997) and Mitchell et al. (1997) suggested the need to identify stakeholders by applying sorting criteria to the field of possibilities of a stakeholder group. This study in addition to establishing the relevance of AHP to multiple value decisions in corporate governance aims at filling the gap in prioritising multiple stakeholders for social responsibility effort. These finding suggests that stakeholders in the political constituencies tend to enforce corporate organisation compliance with CSR in the political domain. Or, that organisation tends to respond better in the political constituency for fear of being sanctioned. For instance, the regime of Governor Raji Fashola of Lagos State stepped up campaign for corporate tax increase by firms operating in Lagos. The truth is that manager tends to perform desirable social responsibility to avoid sanction. A similar incidence is the subtle lure of corporate organisation in Nigeria to donate to the presidential library and police equipment fund under Obasanjo regime.

These are pointers to the fact that corporate organisation investment on corporate social action by firms in Nigeria is not immune to political influence and as such cannot be free from subjective attribution of stakeholder salience. Thus, the high priority in the power and legitimacy dimension of salience in this study is not unlikely to be a response to the need to avoid sanction or being stigmatised by stakeholders in the political constituency. In sum, firms' response to stakeholders in Nigeria may be generally described as less than desirable, at least from the viewpoint of priority given to the stakeholder groups. Therefore, there is need for concerted effort to improve upon the present conditions and practices among companies in Nigeria. The effort to legalise and regulate firms' response to specific stakeholders group is receiving attention through the establishment of a commission that will be charged with providing standards, integration of social responsibility activities, research and investigation of the needs of stakeholder groups, and rankings of organisations. Also, the result of the analysis reveals higher priority values for legitimacy and power criterion. This result lends credence to the argument about whether managers can successfully balance the competing demands among stakeholders. In practice, managers do pay attention to certain kinds of stakeholders in order to achieve certain ends or because of perceptual factors (Frooman, 1999). A good knowledge of what types of stakeholders actually exist and why managers respond to them the way they do will specify how and under what circumstances managers can, and should respond to various stakeholder types. Nevertheless, the need to make objective decisions in prioritising and optimise CSR could not be overemphasised.

14 Conclusions

There are many incidence of companies disregarding their stakeholders' interests either out of the belief that the stakeholder is wrong or out of arrogance reflected that one unhappy customer, employees, or regulator does not really matter (Post et al., 1999). Such attitude will often prove costly to the company involved in the long-run. In Nigeria, the 1990s witnessed an era in which CSR agenda focused essentially on corporate self-regulation and voluntary initiatives. An approach that relied solely on corporate actions geared towards making greater investment priority that will achieve greater returns to the organisation. However, finding of this study suggest that nothing much has changed; corporate organisations in Nigeria to a large extent still place greater emphasis and reliance on the practices of the 1990s. The quantitative analysis of emphasis on different stakeholder groups had a viable potential in revealing that decision-makers in many companies are involved in CSR activities that relate only to the values and cultures of their companies at the expense of other areas. Currently, the voluntary nature of CSR in Nigeria seems to be at the philanthropic level. Such attitude is devoid of strategic approach to embrace comprehensively relevant stakeholders' interest. In other words, most corporate organisations in Nigeria do not only engage in a narrow scope of stakeholder definition, they probably spend/invest lesser than what they ought to invest in socially desirable activities. Business cannot be done in a social and political vacuum and good management must take into account and prioritise the web of stakeholder considerations.

15 Limitation of study

This study tends to overlook the specific generic stakeholder differentiation as well as the possibility of heterogeneity of interest within stakeholder groups. This also leads to implicit assumption that members within a stakeholder group share homogenous priorities with respect to a focal organisation, whereas, the contrary may hold true. For instance no distinction was made between employees – union association as well as suppliers who are both categorised within economic stakeholder constituencies. Further, due to the difficulty of obtaining data from corporate organisation on the actual expenditure made on CSR, the study relied on self-reported estimate of importance or priority placed on social responsibility actions and investments, rather than actual naira/dollar investment made in each of the stakeholder groups considered. Future studies should explore avenue for such historical data.

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