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## **Research Article**

# Determination of Corporate Social Responsibilities of Federal Tertiary Education Institutions in the Development of host Communities in Imo State, Nigeria

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#### **ABSTRACT**

The study focused on determination of Corporate Social Responsibilities (CSR) of Federal Tertiary Educational Institutions in the development of host communities in Imo state. The idea of CSR is on the fact that institutions operating in an area owe it as a duty to contribute to the development of the area. The extent to which the expectations of host communities is met in relation to the development of the area is not yet known, hence the study. The specific objectives are to ascertain host community expectations from Federal Tertiary Education Institutions and identify various types of CSR the institutions provides their host community towards achieving community development. Purposively, the management staff of the institutions and executive members of community unions of host communities chosen formed the population. Thirty (30) management staff of the institutions and 30 members of executives of the community unions were also selected purposively. Primary data were collected using a set of structured questionnaire and analysed using percentage, mean statistic and t-test. The t-test is used to test the hypothesis. Result shows that: award of contract to their community Contractors and award of scholarship and bursary to indigent students of the host communities ranked 1st among the expectations of the communities from the institutions. Award of contracts to community contractors, Provision of education needs in form of tutorials and creation of wealth and jobs to deserving indigenes were accepted as CSR provided. Mean rating of type of CSR provided by management staff of the institutions and executive of community unions showed no statistical significance with the t-value of 0.518. The study concludes that management of the institutions should understand the expectations of host communities in terms of CSR to be provided them and act as such.

Key words: Corporate Social Responsibility, Federal Tertiary Education Institutions, Development, Host Community

#### INTRODUCTION

Educational institutions are very vital to any societal development while tertiary educational institutions are the anchor and centre for the development of both medium and high level manpower of any nation. According to Igbinedion and Orbiagele (2012) the educational institutions especially the tertiary ones ought to bear some level of social responsibility to the society that sustains their existence and operation. Tertiary educational institution is a corporate body that is expected to impact on the society or Community that host it.

There is no universally accepted definition of the concept Corporate Social Responsibility (CSR), but there

is a consensus that it implies a demonstration of a certain responsible behaviour on the part of governments and the business sector towards society and the environment. It is a vehicle by which Public Tertiary Education Institution use to develop their host communities through infrastructures, such as establishment of education resource centres, health centres, access roads and other social services such as award of scholarships/business, economic, empowerment, free medical services etc. Which will impact positively to the socio-economic wellbeing of their host communities. The concept CSR according to Ugboaja and Ebere (2016) means that organisations have moral, ethical and philanthropic responsibilities in addition to responsibility to earn a fair

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return for investors and comply with the law. They further opined that CSR is an approach whereby an organisation considers the interests of all stakeholders both within the organisation and in their host society and involves their interest while developing its strategy and during execution.

Mohr et al. (2001) opined that CSR have objectives of adding environmental and social value to society. They further defined CSR as an institution commitment to minimising or eliminating any harmful effect and maximising its long run beneficial impact on society. Host Communities of any establishment are stakeholders in any developmental process taken place in the environment, and should participate in all facet of the developmental process especially in determining what they want, how they want it and expectations from the establishment.

Public tertiary institutions especially those owned by the Federal Government are located in various communities of the State. The communities donate their lands to these institutions to attract infrastructural development. A lot of expectations from the host communities are attached to this but the questions remains where these institutions provide social responsibilities to them? what type of social responsibilities provided? Are these responsibilities provided in tandem with the expectations of the host communities? These form the kernel of this paper. Specifically, the study:

- i) ascertained host community expectations from the Federal Tertiary Education Institutions;
- ii) identified various types of Corporate Social Responsibilities the institutions provides their host communities towards achieving community development.

A hypothesis of no significant difference between the mean rating of responses of the management staff of the institutions and executive members of the development unions on the type of CSR the Federal Tertiary Education Institutions provided for host communities was postulated and tested.

### MATERIALS AND METHODS

The study was carried out in Imo State located in the rainforest zone of Nigeria (Imo ADP, 2013). The State lies between latitudes 5° 4' and 6° 35' North of the equator and longitude 6° 35' and 7° 28' East of Greenwich meridian (Chineke et al. 2001). The State has an average annual temperature of 28°C, average annual relative humidity of 80%, average annual rainfall of 1800-2500mm and altitude of about 100m above sea level (Imo ADP, 2013). Imo State is blessed with four Federal Tertiary Educational Institutions which includes; University of Technology, Owerri (FUTO), Federal Polytechnic, Nekede, Alvan Ikoku Federal College of Education, Owerri and Federal College of Land Resources Technology, Owerri.

Through purposive sampling technique, three out of the four institutions were selected and this includes: Federal University of Technology, Owerri, Federal Polytechnic, Nekede and Federal College of Land Resources Technology, Owerri. The management staff of the institutions and executive members of host communities' development union constitute the population of the study. Applying purposive sampling technique also, thirty (30) management staff of the three selected institutions and thirty (30) executive members of development unions of host communities were selected. Primary data was collected using structured questionnaire and analysed using percentage, mean statistic, standard deviation and t-test. The t-test was used to test the hypothesis.

#### RESULTS AND DISCUSSION

Result in Table 1 contains perception or feelings of management of Federal institutions about the expectations of host communities of those institutions on provision of Corporate Social Responsibilities (CSR). Among the listed expectations of the communities, award of contracts to community contractors and award of scholarship and bursaries to indigent students of the communities ranked first (96.67%). In other words, the management felt that the host communities were supportive of those CSR more than the rest. The second in rank was expectation that those institutions should create wealth and opportunities for the indigenes of host communities (93.33%). The least among the listed expectations was award of cash and gift (33.33%) to the indigenes by the institutions. Therefore, the management of federal education institutions were aware and acknowledged that indigenes of host communities had some expectations in therms of CSR from the institutions.

Table 2 contains information about the feelings of the executive members of community unions on their expectations of CSR from Federal education institutions. The expectations were listed and their affirmations were determined in percentage. Their 100% affirmation to four expectations which include: award of contract to their community contractors, award of scholarship bursaries, creation of wealth and job opportunities and award of honorary degrees to deserving indigenes. All the members of the union executive agreed that the listed four CSR ranked among the others. Expectation of free medical services ranked 2<sup>nd</sup> (96.67%) while provision of borehole water scheme, extension of campus electricity to communities and contribution towards building access roads to students hostel ranked 3<sup>rd</sup> (93.33%). Expectation of cash awards and gift were least supported by the executive members of union (20%). This shows that the executive of community unions who were representative of the communities had some expectations about CSR from Federal Institutions to their host communities.

Management staff formed their opinions about some CSR provided by their institutions to host communities. The CSR listed in Table 3 were rated on a four-point Likert scale of strongly agreed, agreed, disagreed and strongly disagreed. Management staff were distributed on the various levels of agreement to the listed CSR. Following the system of mean score analysis, a central mean or discriminatory index of 2.5 was produced which divided the distribution into two: agreed and disagreed. Any value less than 2.5 fall into disagree and values 2.5 and above were regarded as agreed. Therefore, award of contracts to community contractors (3.20), provision of education needs in terms of tutorial (2.56) and creation of wealth and job opportunities to communities (3.30) were agreed as types of CSR provided by the institutions. The

**Table 1:** Distribution of Management Staff of Federal Institutions on their opinions of provision of Corporate Social Responsibilities to host community.

Items	Frequency (F)	Percentage (%)	Rank
Host communities expect free medical service	22	73.33	4 <sup>th</sup>
They expect institutions to provide borehole water	24	80.00	$3^{rd}$
They expect extension of campus electricity to them	24	80.00	$3^{rd}$
They expect cash award and gift donations	10	33.33	$7^{\text{th}}$
They expect the institution to award contract to their community contractors	29	96.67	$1^{st}$
They expect award of scholarships and bursaries to indigent students	29	96.67	1 <sup>st</sup>
They expect provision of education needs in terms of free tutorials for students	18	60.00	$6^{th}$
The institutions are expected to create wealth and jobs	28	93.33	$2^{nd}$
They are expected to contribute to provision of access roads to students hostels	20	66.67	$5^{th}$
They are expected to reserve special employment opportunities and award honorary	24	80.00	$3^{rd}$
degrees to deserving indigenes			

Source: Field Survey Data, 2017.

Table 2: Distribution of host communities' executive members on their opinions about the expectation of their communities from federal institutions.

Items	Frequency (F)	Percentage (%)	Rank
Host communities expect free medical service	29	96.67	2 <sup>nd</sup>
They expect institutions to provide borehole water	28	93.33	$3^{rd}$
They expect extension of campus electricity to them	28	93.33	$3^{rd}$
They expect cash and gift donations	06	20.00	5 <sup>th</sup>
They expect the institutions to award contracts to their community contractors	30	100	1 <sup>st</sup>
They expect award of scholarships and bursaries to indigent students	30	100	1 <sup>st</sup>
They expect provision of education needs in terms of free tutorials for students	26	86.67	$4^{th}$
They expect creation of wealth and jobs	30	100	1 <sup>st</sup>
They expect to contribute to creation of access road to students hostels	28	93.33	$3^{rd}$
They expect to reserve special employment opportunities and award of honorary	30	100	1 <sup>st</sup>
degrees to deserving indigenes			

Source: Field Survey Data, 2017.

Table 3: Distribution of Management Staff on their rating of opinions about corporate social responsibilities provided.

Items	4SA	3A	2DA	1SDA	Total	Mean 2.5	Remark
Free medical service	0	2	25	3	30	1.96	Reject
Borehole water scheme	4	5	21	0	30	2.43	Reject
Extension of campus electricity	0	3	21	6	30	1.90	Reject
Cash award and gift	1	9	7	13	30	1.93	Reject
Scholarship and bursary	3	11	10	6	30	2.36	Reject
Award of contracts	12	13	4	1	30	3.20	Accept
Education needs	1	18	8	3	30	2.56	Accept
Creation of wealth and jobs	14	12	3	1	30	3.30	Accept
Access road to hostel	4	6	18	2	30	2.40	Reject
Employment opportunity and honorary award	2	11	14	3	30	2.40	Reject
Total	41	90	131	38	300	2.45	Reject

Source: Field Survey, 2017

Table 4: Distribution of executive members' opinion about types of Corporate Social Responsibilities provided.

Items	4SA	3A	2DA	1SDA	Total	Mean2.5	Remark
Free medical service	2	3	18	7	30	2.00	Reject
Borehole water scheme	1	8	17	4	30	2.20	Reject
Extension of campus electricity	5	3	21	2	30	2.36	Reject
Cash award and gift	1	6	7	16	30	1.73	Reject
Award of contracts	7	7	14	2	30	2.63	Accept
Scholarship and bursary	4	3	23	0	30	2.36	Reject
Education needs	2	24	3	1	30	2.90	Accept
Creation of wealth and jobs	21	4	2	3	30	3.43	Accept
Access road to hostel	2	6	20	2	30	2.26	Reject
Employment opportunity and honorary award	2	2	22	4	30	2.06	Reject
Total	47	66	146	41	300	2.39	Reject

Source: Field Survey, 2017.

management staff therefore disagreed on all other listed CSR as being provided to the communities. The grand mean (2.45) was below the central mean (2.5) and therefore represented disagreement in aggregate form by the management staff.

Table 4 shows executive members of the union perception about types of CSR provided. Their perceived

opinions were rated on a 4-point Likert scale of strongly agreed (SA), Agreed (A), Disagreed (DA) and strongly disagreed (SDA). Using the mean score analysis, a discriminatory index of 2.5 was produced. This was a central mean which divided the distribution into two. Values of mean of any of the CSR less than 2.5 was regarded as disagreed while any of them with value up to

and or greater than 2.5 was regarded as agreed. Using this method therefore, only three of them, the award of contracts to community contractors, provision of education needs in form of tutorials to students preparing for entrance examination and creation of wealth and job opportunities to community members were accepted as agreed, while the rest were rejected and regarded as disagreed. That is, the executive members of the community unions did not accept those listed CSR as ones provided to their communities by those institutions. In other words, only three of the listed responsibilities were provided to the communities. On the aggregate, the grand mean was 2.39 and therefore the executives summarily disagreed on the provision of listed CSR to their communities.

**Table 5:** T-test of difference in mean score between the rating of management staff and executive member

Item	Mean Standar		t-value	Significant
		deviation		
Management staff	2.444	0.4857		
			0.518	0.617
Executive	2.3930	0.4888		

Source: Field Survey, 2017.

Both management staff and executive members of communities showed their feelings about the type of CSR provided and or received by host communities. Their ratings expressed in mean score were compared and the difference tested for statistical significance. This is shown in Table 5. The t-value (0.518) shows that the difference was not statistically significant. The hypothesis of no statistical significant difference between their ratings was accepted. Their opinions did not differ significantly on the issue of type of CSR provided and or received.

#### **Conclusions**

The study which was targeted at determination of CSR of Federal Tertiary Education Institutions in the development of host communities has shown that the institutions had not actually provided such CSR to host communities. This is against the awareness of the management of the Institutions that indigenes of host communities had expectations in terms of CSR from the institutions.

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