Abstract: Corporate social responsibility (CSR) has become a major interesting issue over the last decades. Despite its popularity and acceptance, the CSR concept over the decades by different stakeholders; again many researchers have true doubt on its validity and criticize its significance in the competitive business environment. As managers should never try to invest more amount on CSR projects due to the fact that they are only agents; therefore, they should not spend any principal (s) amount which decreases profitability. The present study tries to examine the some determinants of corporate social responsibility in the Nigerian listed conglomerates using the samples of 6 conglomerates for the 2010-2016 periods. The study adopted multiple regression in analyzing the data with the aid of STATA package. The findings reveal that ownership concentration, corporate tax and company size have positive and significant impact on CSR. The study recommended that there is need for more regulation on CSR to compel owners and managers to make and disclose expenditure of corporate social responsibility.

Keywords: Corporate social responsibility, Conglomerate firm

1. Introduction

Down the post decades, the main target of business organizations concentrate more on strategies for their business operations, diversification and profit maximizations; however; with the increasing pressures and interest from variety of stakeholders such as: researchers, media, civil society, human rights campaigners, among others to address present social and environmental responsibilities extended traditional mode of financial reporting (Mohammed, Saheed & Oladele, 2015). Presently, corporate social responsibility (CSR) has become a major interesting issue over the last decades. And also the managers spotlight in the global consumer and retailer goods sector (Consumer Good Forum, 2011). The concept of CSR emerge in 1960 and originally referred to as social responsibility (Bowen, 1953). Moreover, under developing economy particularly Nigerian context, there is increased interest concerning the issue of CSR and its concepts to all stakeholders such as government, employees, researchers, corporate bodies and general public (Gololo, 2016). Bowen (1953) defines CSR as the obligations of businessmen to pursue those policies, to make decisions or to follow those lines of business actions which are desirable in terms of objectives and values of our society.
Determinants of Corporate Social Responsibility in the Nigerian Listed Conglomerate Firms

Whereas, Bagh, Khan, Azad, Saddique and Khan (2017), view CSR as sets of those activities not forced by law of those countries. Some scholars opined that profit maximization is the major responsibility of any business entity, whereas CSR is represented by external interference over laws; defilement of shareholders rights and groundless confiscation of owners property and resource (Friedman, 1970; Henderson, 2005; & Lantos, 2001). On the other hand, regarding CSR, Mughal (2014) defined CSR as the persistent commitment by the business regardless of their nature, to behave in a way that in line with ethics and contribute to the economic development and declare it integral part of governance. Implementation by corporate entity where all the stakeholders treated in a socially acceptable manner; behave socially this improves the stakeholders' standards of living (Hopkins, 1999). Furthermore, different opinions attached to the CSR concepts by different scholars (Vilanova, Lozano, & Arenas, 2009; Aras, Aybars, & Kutlu, 2010) view the CSR concept as the explanations of the significance of business within community. CSR concept metamorphoses and advanced from one level to the other like stakeholder management (Donaldson & Preston, 1995; Freeman, 1984; &Lozano & Prandi, 2005), social performance (Carrol, 1979&Swanson, 1995), business ethics (Solomon, 1992); corporate citizenship (Waddock, 2000&Zadek, 2001) and corporate governance (Freeman & Evans, 1989).

The CSR is divided into three aspects: corporate governance, environmental and social aspect (Tsoutsoura, 2004). Also, corporate social responsibility relates to triple bottom line of people, planet and profit (Shah, 2007); and a profit maximization (Friedman, 1970). The basic primary responsibility of every business entity is to fulfill its economic goals, legal obligations, then ethical and philanthropic goals (Carroll & Bocholt, 2003). Firms investing in sincere CSR projects improved their financial performance, boosting their image and in long run develop competitive advantage (Kiran, Kakakhel, & Shaheen, 2015). Also, it is impossible for every government to solve societal issues; Business Corporation too could engage through public private partnership developments in solving societal issues. Surprisingly, up to now; despite popularity and acceptance of the CSR concept over the decades by different stakeholders; again many researchers have true doubt on its validity and criticize it significance in the competitive business environment. As managers should never try to invest more amount on CSR projects due to the fact that they are only agents, therefore; they should not spend any principal (s) amount which decreases profitability and can lead to more expensive products (Friedman, 1970).

In the work of Murtala and Hussaini (2015), among the major problems to corporate social responsibility in Nigeria includes the adherence to old conventional business principle that business is strictly to benefits its shareholders as major principal objective, that is to maximize profit even at the expense of their communities and other
stakeholders such as employees, customers, and so on. In addition to that, inadequacy of the regulatory laws and bodies in the area of corporate social responsibility disclosures as we have bodies in other developed nations such as UK, American, all countries under European Commission, corporate social responsibility commission in Sweden e.t.c.

Furthermore, Friedman (1970) provides his option on the concept of CSR acceptability that CSR investment should be independently by agents if they want; and even if the company should implement CSR concept; corporate entity should select CSR projects that will lead to long term benefits; save taxes (pay less) and gain competitive advantage.

More interesting concerning the CSR concept is that, it is only when business survived that would be expected to implement CSR programs (Kurawa & Kabara, 2014). This means a situation of insufficient profit or loss; CSR activities are not expected. When business is not performing well, economic demands takes precedence over environmental and social responsibilities (Dandago & Juliet, 2015). On one way, Ownership Concentration, Tax and company size are expected contribute significantly due to the markets, customers, branches, periods, employees and resources occupies by a particular company to the improvement of CSR which is the main concerned of the study. The study is further divided into section two: literature review, section three: methodology, section four: data presentation and analysis, and section five: conclusion and recommendations.

2. Literature review
The concept of corporate social responsibility has variety of definitions which to some degree complications and uncertainty about meaning of concept of corporate social responsibility as a result of meaning attached to it by different authors and scholars (Gololo, 2016). Elkington (1997) opines that corporate social responsibility has been developed to enhance the traditional system of financial reporting, which emphasizes a company's economic prosperity to accommodate social environmental issues. Based on legitimacy theory, CSR is a technique to be used by the company to solve risk of losing customers specifically, in relation to society's expectation and perception (Indriati and Chaerul (2017). Roberts (1992) opined that stakeholder theory is concerned with the stakeholders or people who can affect or be affected by company's policies and practices. This means that any group of people or person that corporate decisions or activities can be affected directly or indirectly is included as stakeholder. Moreover, indications of how stakeholder theory interrelated to CSR comprised descriptive, instrumental and normative perspectives of stakeholder to CSR (Donaldson & Preston, 1995). Where descriptive perspective show how company regard stakeholder interests.
instrumental perspective indicates the benefits of considering stakeholder interests; while normative perspective means the reasons why company have to consider stakeholder interests.

2.1 Ownership concentration and corporate social responsibility

Ownership concentration simply refers to the case where majority of shares are held by few owners (Abdul, 2015). For instance if more than 5%, 10%, 20% (different levels) of shares are held by the state, shareholders or group of shareholders, group of companies or a family or foreign investor they serve as the owners or block holder of the company. Ownership concentration influence CSR programs of the companies (Bartkus, Morris, & Seifert, 2002). Bruns (2017) conduct a study on the determinants of CSR: Empirical evidence from the Netherlands. CSR as dependent variable, while independent variables are: LEV, ROE, ROA, board diversity, ownership concentration and research and development (R&D). Findings of the study revealed that ownership concentration is a significant determinant of CSR and LEV, ROE, ROA, board diversity and R&D are not significant determinants of CSR.

On the other hand, Vicente and Fatima (2015) determine the influence ownership concentration on firm resource allocations to employee relations, external social actions and environmental action in Brazilian firms. The study used secondary data from Economaitica database for 12 years (1997-2008), sample of 49 companies from 8 sectors. CSR as dependent variable and ownership concentration is among the independent variables. The outcome of the study revealed that CSR is positively influenced by firm ownership concentration in Brazil.

Wissink (2016) investigates the determinants of CSR for Dutch listed companies using CSR as dependent variable, and independent variables include size, ROA, ROE, EBIT, ownership concentration, ownership identity, outside board directors, women board directors, total assets and total sales. The findings revealed that firm characteristics are vital in shaping CSR, CSR depends on level of ownership concentration. The study hypothesis that:

\[ H1: \text{Ownership concentration has significant positive relationship with CSR} \]

2.2 Tax and corporate social responsibility

Prince and Akeem (2017) define Tax as a compulsory levy imposed on income earners in accordance with the provisions of extant fiscal laws. Tax is a levy on individual or corporate bodies by central or local government in order to finance the expenditure of
that government and also a means of implementing its fiscal policy (Dictionary of accounting, 3rd edition 2000).

On the other hand, company is required to consider the interest and impact of their decisions on all the stakeholders; tax avoidance practice is legal and profitable, while in one hand tax avoidance practice considered as unethical, irresponsible and change the load of investment in public infrastructure and other services to other stakeholders (Indriati & Chaerul, 2017).

Indriati, and Chaerul (2017) examine the effect of practice of tax avoidance towards the level of CSRD, along with the role of political connections in moderating the relationship in Indonesia. CSRD as dependent variable, independent variables: ETR, moderating variable: political connections. Using secondary data with population of 63 firms and sample of 189 firm-years observations for period of 4 years (2012-2015). The findings of the study indicate that firms used CSRD as a tool to create a good image that can eclipse the opportunistic acts and minimize the existing potential risks, firms that actively conduct tax avoidance conduct a higher level of CSRD to maintain the legitimacy of their operational activities and cover up the opportunistic activities, while the variable of political connections is not proven (significant) to moderate the impact of tax avoidance towards CSRD. Prince and Akeem (2017) examine tax aggressiveness and CSR fluidity in Nigerian firms. Using the secondary data of top 30 firms in Nigeria as the study population with the sample of 13 companies for the period of 10 years (2006-2015). The finding of the study show that tax aggressiveness is significantly related with CSR.

Using the population of 95 European public firms with 695 firm-year observation for 2010-2016. Corporate tax payments (CTP) and CSR: complements or substitutes? Empirical evidence from Europe was examined by Preuß and Preuß (2017). CSR as dependent variable where independent variables is CTP, moderating variables are lop, ROA. The result of the study showed that CTP and CSR activities are substitutes while CTP is positively associated with CSR.

In addition to that, the work of Mgbame and Kemi (2017) on CSR performance and tax aggressiveness of listed firms in Nigeria, found that there is negative relationship between CSR performance and tax aggressiveness, though with mixed positive and negative results. The findings also reveals negative between firm performance and tax aggressiveness. The study utilized cross-sectional research design, secondary source of data using annual reports and accounts for the period of 2007-2013. The population comprised all the listed companies in the Nigerian Stock Exchange (NSE), while the
sample of 50 companies was selected. The study hypothesis that:

H2: Company tax has significant positive relationship with CSR

2.3 Company size and corporate social responsibility

Company size is the size of the company's image that can be measured based on the volatility of corporate activity (Abubakar, 2016). Company size is the markets, customers, branches, periods, employees and resources occupies by a particular company. Larger companies have more resources regardless of their financial performance than the smaller ones, larger firms are assumed to be more visible to society and have a higher social impact (Udayasankar, 2008). Similarly, determinants of corporate social responsibility of deposit money banks in Nigeria (DMBN) was carried out by Abubakar (2016). The study also used secondary data for nine years ranging from 2005-2013, population of 17 DMBN with a sample of 12 banks. The finding shows that company size significantly and negatively influencing CSR at 1%.

Shehu and Farouk (2013) examine the financial and non-financial determinants of CSR in the LDMBN. CSR as dependent variable while size is among independent variables. The study used secondary source of data for 7 years ranging from 2005-2011. The outcome of the study indicate that size has significant positive impact on CSR at 10%. The study hypothesis that:

H3: Company size has significant positive impact on CSR

3. Methodology

The study used the sample of six conglomerates firms listed in Nigerian stock market for the period of seven years (2010-2016) using censuring sampling technique.

3.1 Model specification

The model is built up to empirically test the hypotheses of this study which investigate the factors that determine CSR using multiple regression. The model captures the impacts of ownership concentration, tax and company size as independent variables on CSR which is the dependent variable. The model is stated as follows:

\[
\text{CSR}_t = \alpha_n + \beta_1\text{OC}_n + \beta_2\text{SIZE}_n + \beta_3\text{TAX}_n + \mu_n
\]

Where:
CSR is the corporate social responsibility
OC is the ownership concentration
SIZE is the company size
TAX is the company tax
3.2 Variable Measurement
The following Table indicates the variables and their measurements used in the study.

<table>
<thead>
<tr>
<th>Variable name</th>
<th>Acronym</th>
<th>Measurements</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate social responsibility</td>
<td>CSR</td>
<td>Natural logarithm of CSR value percentage of equity ownership by largest shareholder</td>
<td>(Shehu and Farouk, 2013)</td>
</tr>
<tr>
<td>Ownership concentration</td>
<td>OC</td>
<td></td>
<td>(Wissink, 2016).</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(Miko and Kamardin, 2016).</td>
</tr>
<tr>
<td>Corporate tax</td>
<td>CT</td>
<td>Natural logarithm of total tax</td>
<td>Abubakar, 2016)</td>
</tr>
<tr>
<td>Company Size</td>
<td>SIZE</td>
<td>Natural logarithm of total tax</td>
<td></td>
</tr>
</tbody>
</table>

4. Results and Discussion
This section presents the result of data analysis and tests of hypotheses formulated in the study. The study present descriptive statistics, followed by the correlation matrix table and then the summary of regression and analysis.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Std.Dev</th>
<th>Min</th>
<th>Max</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR</td>
<td>6.769</td>
<td>4.385</td>
<td>0.00</td>
<td>14.465</td>
</tr>
<tr>
<td>OC</td>
<td>0.522</td>
<td>0.092</td>
<td>0.40</td>
<td>0.683</td>
</tr>
<tr>
<td>TAX</td>
<td>12.774</td>
<td>1.850</td>
<td>8.690</td>
<td>17.322</td>
</tr>
<tr>
<td>SIZE</td>
<td>16.555</td>
<td>1.466</td>
<td>12.760</td>
<td>19.263</td>
</tr>
<tr>
<td>AGE</td>
<td>54.333</td>
<td>22.689</td>
<td>12.000</td>
<td>85.000</td>
</tr>
</tbody>
</table>

According to Table 4.1, the CSR varied between 0.00 and 14.465. The average voluntary social disclosure was 6.769, with a standard deviation of 4.385. The average OC variable was 0.522 and the standard deviation 0.923, indicating that the participation of the main shareholder varies from 0.40 to 17.322 among the companies in the sample of the study. About the Tax variable, the lowest and highest rates were 8.690 and 17.322, respectively, and the mean was 12.774 and the standard deviation 1.850. The age of the companies surveyed are range between 12.000 and 85.000 and the average age of the companies among the sample size of the firms is 54.333 and the standard deviation is 22.689.
Correlation matrix in Table 4.2 shows that CSR has range of relationship between -0.409 to 0.587 among the dependent variables. The relationship among the dependant variable show that 0.821 is highest correlation between tax and size variables which show a signal of multicollinearity. Multicollinearity test was conducted which shows a mean of VIF 2.56 which shows that multicollinearity is not an issue of concern in this study. A multicollinearity test is conducted which shows that Chi2 0.01 with p value 0.904 indicating that there is absent of multicillinearity in the study data.

Table 4.3: Regression Result

<table>
<thead>
<tr>
<th>Variables</th>
<th>coefficient</th>
<th>t-statistics</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>OC</td>
<td>0.014</td>
<td>1.840</td>
<td>0.075</td>
</tr>
<tr>
<td>TAX</td>
<td>1.200</td>
<td>3.060</td>
<td>0.004</td>
</tr>
<tr>
<td>SIZE</td>
<td>0.050</td>
<td>4.340</td>
<td>0.000</td>
</tr>
<tr>
<td>AGE</td>
<td>-0.000</td>
<td>-0.140</td>
<td>0.889</td>
</tr>
<tr>
<td>R2</td>
<td></td>
<td>0.602</td>
<td></td>
</tr>
<tr>
<td>Adjusted R2</td>
<td></td>
<td>0.559</td>
<td></td>
</tr>
<tr>
<td>F-statistics</td>
<td></td>
<td>13.990</td>
<td></td>
</tr>
<tr>
<td>Sig</td>
<td></td>
<td>0.000</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.3 shows that the independent variables explain 60 percent of the dependent variable (R2=60%) and F-statistics 13.99 which is significant at 1%, which indicates that the model is fit. The individual contribution of the variables indicates that OC is significant at 10% in influencing the amount of CSR expenses, this is consistent with the
findings of Wissink (2016) and Bruns (2017) and contrary to the findings of Maria and Marcia (2015) and Zali and Sheydayae (2013). Tax is significantly influencing CSR at 5%. This indicates that the more the taxes are paid, the more the amount of CSR investment will increase. This is consistent with the findings of Indriati and Chaerul (2017) and Prince and Akeem (2017). Contrary to the findings of Amidu et al. (2016) and Mgbame and Kemi (2017). For the Company size, the result indicates that Size is significantly influencing CSR at 1% level, this is consistence with findings of Umoren and Ejobwokoghe (2016) and contrary to the findings of Justyna and Joanna (2017).

5. Conclusion and Recommendation
In line with our findings, the study concludes that ownership concentration, company tax and company size have positive and significantly contribute to the corporate social responsibility. The study recommends that there is need for more regulation on CSR to compel owners and managers to make and disclose expenditure of corporate social responsibility.

References:


Wissink, S. (2016). Determinants of corporate social responsibility for dutch listed firms master study – business administration. University of Twente Postbus 217 7500AE Enschede The Netherlands