Business, Management and Economics Research
ISSN(e): 2412-1770, ISSN(p): 2413-855X
Vol. 4, Issue. 7, pp: 96-105, 2018
URL: http://arpgweb.com/?ic=journal&journal=8&info=aims

Academic Research Publishing Group

Original Research Open Access

Corporate Social Responsibility Disclosures in Nigerian Commercial Banks

Ogbole Philip Osemudiamen*
ND (Distinction), AAT, B.Sc, M.Sc, PhD (In view) Igbinedion University, Okada Edo State, Nigeria

Saniyo Preye
B.Sc, Accounting Benson Idahosa University, Edo State, Nigeria

Abstract
The objective of the study is to examined Corporate Social Responsibility Disclosure in quoted money deposit Banks in Nigeria. The research design used for this study is historical research design. The design was used so as to capture relevant information from annual financial statement of quoted companies. The population of the study consists of Twenty one (21) deposit money banks in Nigeria and a sample of eight commercial banks was randomly selected using convenient sampling technique. Data were analyzed using ordinary least squares regression. The findings of this research indicate an existence of negative relationship between firm complexity and environmental disclosed in the Nigerian banking sector. It also indicates the existence of positive relationship between earnings and CSR disclosure in the Nigerian banking sector and that bank size was negatively related to the extent of corporate social responsibility disclosure by Nigerian banks. The implication of these findings is that as bank increase its activities they should also be concern with the well-being of the environment which they operate. Finally, the study recommends that banks should focus on activities that will synchronize its corporate goals with the sustainability of the environment.

Keywords: Corporate social responsibility disclosures; Stakeholders theory; Total asset; Gross earnings; Bank branches.

1. Introduction

Corporate social responsibility is a company's commitment to operate in an economically, socially and environmental sustainable manner whilst balancing the interests of diverse stakeholders. According to Owolabi (2008), companies are increasingly recognizing CSR as a business priority and are also recognizing the value of sustainability over the long-term rather than the short-term which leaves them open to social and environmental risks. Corporate social responsibility is an important strategy in any business. Globally there have being calls that business organizations should give back to the society in which they operate. This has made it necessary for organization to disclose how responsible they are to the society where they operate.

Deposit money banks operate within a given environment and as such they are expected to give back to the society inform of welfare and safe guarding trust of fund. Financial institutions particularly commercial bank is a business of receiving money, from within and outside source, irrespective of payment of interest. Corporate Social Responsibility is said to be the duty of banks to manage their environmental activities at local and global level (Precious, 2016). This means that bank does not consider profitability and growth alone, but the interests of the society and environment by taking responsibility of the effect of their activities on stakeholders. The activities of banks, such as their lending and investment policies, can be considered as equally environmentally sensitive when compared with the impacts of polluting industries that are financed by banks. As a result, banks should report on what they are doing to ensure that their lending and investment policies do not facilitate industrial activities which are harmful to the environment. On a more direct way, since financial institutions consume vast amounts of resources, such as paper, energy, and create waste; hence their policies regarding how they contribute to the conservation of energy and natural resources and recycling activities should be classified important aspect of their corporate social responsibility activities. When banks involved themselves in corporate social responsibility activities, it should therefore be disclosed for proper accountability. Banks are expected to disclose CSR related information yearly so that stakeholders will be able to measure how environmentally friendly they are.

Social responsibility disclosure refers to the disclosure of information about companies interactions with society. Due to informational asymmetry, disclosure of private information is imperative as it brings generals gains in economic efficiency. Social reporting represents a credible way of subtly pressuring firms to act in a socially responsible manner. CSR is important because it enables companies to attract better quality investor and meet challenges posted by competition. Banking industry is considered in this study because it is large in relation to its capital base and wide spread of services. This wide spread has also necessitated the need for them to fully disclose all their social responsibilities.

Bank operates within a society and its activities have great impact on the environment. This impact has necessitated the need for banks to give back to the environment which they operate. Also as a direct and indirect effect, banks activities leads to paper and energy consumption, financing of polluting industries, community involvement and human resources and product. Based on this direct and indirect effect banks has been obliged to disclose their activities and contributions to the society where they operate. Specifically, it is expected that they

*Corresponding Author

disclose issues relating to CSR in their published annual report so as to inform stakeholder on how socially responsible they are. Previous works such as Lipunga (2013), revealed an overall disclosure score of 30% meaning that less than one third of the disclosable items (community activities, Human resources, Environment, Product and others) were disclosed. It is on this background that this work is aimed at measuring CSR disclosures of commercial banks in Nigeria.

The researchers formulated the following hypothesis to guide their study:

1. H_o: There is no significant relationship between Corporate Social Responsibility disclosure and Bank's Total Assets
2. H_o: There is no significant relationship between Corporate Social Responsibility disclosure and Bank's Gross Earnings.
3. H_o: There is no significant relationship between Corporate Social Responsibility disclosure and the number of bank branches.

The rest of the paper is organized as follows: Section one introduces the background and the formulated hypothesis under investigation. Section two presents theoretical framework on which the work is based and their related critical variables. Section three contains the research design and methodology. Section four presents test of hypotheses and discussion therein. Section five shows the details the conclusion and recommendation.

2. Review of Related Literature

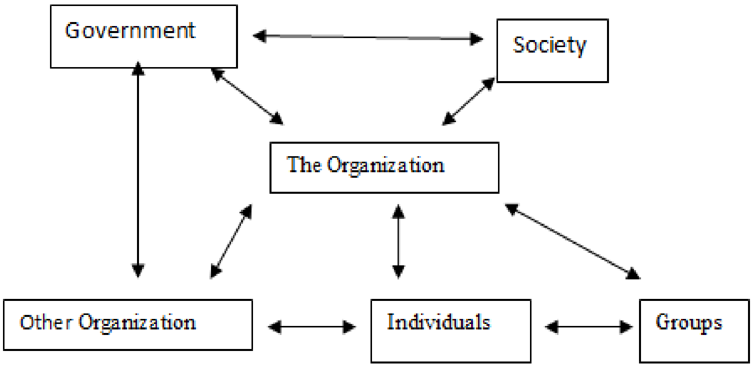
2.1. Theoretical Framework

There are several theoretical perspectives on corporate social responsibility disclosures available to scholars in exploring the issues of corporate social responsibility. This study utilized stakeholder theory.

2.1.1. Stakeholder Theory

According to Freeman (1984) as cited by Akinpelu *et al.* (2013) a stakeholder is "any group or individual who can affect or is affected by the achievement of the firm's objectives". Lipunga (2013) opined that stakeholder theory presupposes the existence of a number of groups within and outside the organization with each having a stake and expects accountability from the organization. Stakeholder theory suggests that since people voluntary associate in a firm, their interests must be pursued single-mindedly. Company is a group of people getting together so that they may accomplish something collectively that they could not get separately and they contribute to the society. Because the company lives with the society, it is the same society that tells the number of stakeholders to which the organization has responsibility and further more the responsibility may be broad or narrow depending on the industry in which the firm operates and its perspective. Ullmann (1985) as cited by Akinpelu *et al.* (2016) suggested that stakeholder's (owners, creditors or regulators) power to influence corporate management decision depend on the stakeholder's degree of control over resources required by corporation. The more critical stakeholder resources are to the continued viability and success of the corporation, the greater the expectation that the stakeholder demands will be addressed.

Fig-1.1. Stakeholder's Group



Source: *Adapted from corporate social responsibility, David and Gulier (2008), venous publishing APS*

Clarkson (1995) as cited by Akinpelu *et al.* (2013), divided stakeholder group into primary economic groups and secondary groups. Primary stakeholder group are those without their continuous participation the corporation cannot survive as a going concern, which include shareholders, employees, creditors, customers, suppliers and the public (government and communities). While the secondary group also known as social group include media, local and international organization. Every stakeholder is important to an organization which means that proper understanding will naturally motivate any rational individual, group, or organization to intrinsically and willingly give to the society.

2.2. Review of Empirical Studies

The work of Akinpelu *et al.* (2016) investigates the extent and nature of the corporate social reporting practice of the 40 largest Thailand companies for five years. The study measure (CSRD) using number of words disclosed in the annual report using trend analysis. CSRD was classified according to five key themes. Their findings suggest that there is in aggregate a trend of increasing amount of corporate social disclosure. They also discovered that CSRD among Thailand companies are focus on human resources.

In the study of Balabanies *et al.* (1998) cited in Precious (2016) they investigated the relationship between corporate responsibility and economic performance of 56 companies quoted on the London Stock Exchange. Each company that was sampled was rated on 13 indices related to CSRD. Economic performance measurement adopted included: financial (return on capital employed, return on equity and gross profit to sales ratios) and capital market performance (systematic risk and excess market valuation). Their finding suggest that (past, concurrent and subsequently) economic performance, is related to both CSRD performing and disclosure. It must be noted that the report observed that the relationships were weak and lacked an overall consistency. The study also observed that economic performance partly explain variation in firms' involvement in philanthropic activities and CSRD disclosure is also influenced positively by both a firm's CSRD performance and its concurrent financial performance. Involvement in environmental protection activities was found to be negatively correlated with subsequent financial performance while, a firm's policies regarding women's positions seem to be positively responded to by capital market in the subsequent period.

Gamersahlag *et al.* (2010) studied 130 listed German companies CSR disclosure, the result of their investigation revealed that companies with more visibility, dispersed ownership structure, and US cross listing are all positively associated with CSR disclosure. However, profitability only affects CSR disclosure on environment. Furthermore, industry membership influences CSR disclosure because "polluting industries" tend to have a higher level of environmental disclosure, while bigger firms disclose more CSR information than smaller companies.

The study of Hanid (2004) as cited by Lipunga (2013), focused on level of CSR disclosure among finance companies in Malaysia using the contents of annual reports. He suggests that information related to products/services is more disclosed in comparison to environment and energy, human resource or community related disclosure. The result also revealed that size, listing status and age of business are positively associated with social responsibility disclosure, while profitability has no influence.

Douglas and Johnson (2016) investigates CSR disclosure of four Irish international financial institutions between 1998 to 2001 using annual report and their websites. The result of the study reveals that the most reported issues in the annual report were corporate governance and human resources whereas community involvement was least reported. When CSR disclosure between annual report and websites were compared the report suggests that Irish banks disclosed more social responsibility information on their websites than in their annual report.

Branco and Rodrigues (2008) cited in Oyewo and Badejo (2014) study is to ascertain whether Portuguese banks use their websites as medium to disclose social responsibility information and also to identify what type of information they disclosed, and compare such disclosure with similar disclosure in annual report. Their findings suggest Portuguese banks seem to attribute greater importance to annual report as disclosure media than to websites. Banks with a higher visibility among consumers seems to exhibit greater concern to improve on image through high CSR disclosure in annual report and on websites

Lipunga (2013) carried out a study on Corporate social responsibility disclosure in Commercial banks in Malawi. In his research he made use of 47 disclosable items which were classified into Community involvement, Human Resources, environment, Customers and product and others (Statements). In his findings he observed that the studied commercial banks were only involved in 30% of corporate social responsibility activities. As compared to the 47 disclosable items it was recommended that bank should at least improve above average in items of corporate social responsibility activities.

2.3. Determinants of Corporate Social Responsibility Disclosure in Commercial Banks

According to Kamal and Yousef (2016), corporate social responsibility disclosure is determined by different factors. This study utilized Total asset, Gross earnings and number of branches as CSR determinant.

Total asset relate to the combined amount of a company's fixed assets and current assets as recorded in the company's balance sheet. This shows all the assets used by a company regardless of how they are financed. Financialtimes com (2018) has defined total asset of banks as the sum of all cash, investments, furniture, fixtures, equipment, receivables, intangibles and any other items of value owned by a person or a business entity.

Gross earnings are income before taxes or adjustments. In the accounting world, gross earnings are usually the same thing as gross profit (that is, revenue minus cost of goods sold). Gross earnings can also be explained as income before taxes and deductions. It is calculated as revenues minus expenses. An individual gross income is important to determining eligility for certain social programs while a company's gross income tells how well it uses its resources to produce a profit.

Bank branch is a retail location where a bank, credit union or other financial institution offers a wide array of face-to-face and automated services to its customers. It is a semi-independent office of a bank. For example, a bank may have five branches where account holders can make deposits and withdrawals and conduct other business at the place most convenient for them.

2.3.1. Bank Total Asset and Corporate Social Responsibility

According to Gunay (2010) large companies are expected to have financial and human resources to compile, analyze and disclose information more than small companies. Since they have the resources, they are expected to hire big international audit firms that are likely to force better disclosure than small audit firms. Large companies are also subjected to the scrutiny of the public. To assure the public, they tend to disclose more information than small companies. Needless to say, large companies are more likely to be involved in activities that require disclosure more than small companies. Furthermore, large companies will be closely monitored by the stock markets more than small companies. Using total asset to measure corporate size, prior research that examine the association between the CSR disclosure and firm size found a significant positive association. This tells us that large companies are more likely to disclose more CSR information than smaller ones. This is because *large* companies receive more attention from the public as these companies are more likely to be diversified across geographical and product market and hence might have larger and more diverse stakeholder group (Brammer and Pavelin, 2018). Large firm are more likely to report CSR information in their annual reports because the firms are more likely to cover the cost associated with reporting this information. Also large companies tend to disclose more voluntary information to reduce agency costs resulting from potential conflicts between management and the stakeholders as well as to reduce political costs as they are usually more publicly visible than small companies. Archel, 2003; Cormier & Magnan, 2003 cited in Kamal and Yousef (2016).

2.3.2. Gross Earnings and Corporate Social Responsibility

Gross earnings are the total amount earned from operating activities of a bank before operating and non operating expenses while profitability is the final measure of economic success by a company in relation to the capital invested in it (Financialtimes com, 2018). Company's gross earnings gives indication about the effectiveness of corporate management. When a company's gross earnings is high it means that it will be able to accommodate corporate social responsibilities related expenses. It is very likely to see high gross earnings companies providing detailed information of CSR in order to attract users to their accounts and to highlight management effectiveness. Profitable companies have positive messages to signal to the users of the accounts. However, it is possible to see some companies sustaining losses and still disclosing detailed information in order to explain what went wrong and how they intend to correct it.

2.3.3. Number of Bank Branches and Corporate Social Responsibility - Independent Variable & Dependent Variable

Number of bank branches shows the growth and spread of a bank and in its spread it is important for the host communities to feel the effect of the bank branches in form of corporate social projects (Akinpelu *et al.*, 2016). The needs of communities where bank branches are located differ as such some communities may demand more of CSR than others. Because of the wide spread of bank branches banks are conditioned to dispense CRS in communities where they operate.

3. Research Design and Methodology

3.1. Research Design

This study utilized historical research design. Historical research design will enable the researcher to collect, verify, synthesize evidence from five (5) years annual financial statements of Nigeria commercial banks.

3.2. The Population and Sampling Technique

The population of this research consists of 21 deposit money banks in Nigeria (Nigeria Stock Exchange, 2018). These banks are; Access Bank, Citibank, Diamond Bank, Ecobank, Fidelity Bank, First Bank, First City Monument Bank, Guaranty Trust Bank, Heritage Bank, Keystone Bank, Providus Bank, Skye Bank, Stanbic IBTC Bank, Standard Chartered Bank, Sterling Bank, Suntrust Bank, Union Bank of Nigeria, United Bank for Africa, Unity Bank, Wema Bank, Zenith Bank. The sample of this study was eight (8) commercial banks were sampled. The sampling technique to be employed is this research work was convenient sampling technique. Convenient sampling technique is a statistical method of drawing representative data by selecting items because of the availability or easy access. The Sampled eight commercial banks were used based on the ease of accessing their financial statements on their websites.

3.3. Description of Variables

We employed econometrics model to analysis data collected in order to test the formulated hypotheses.

CSRD Score = bo + b_1 log asset + b_2 log earnings + b_3 log of branches + e

Where:

CSRD Score = Corporate social responsibility disclosure score
bo = intercept (constant)
log asset = Natural Logarithm of total asset value
log earning = Natural Logarithm of total gross earnings
log branches = Natural Logarithm of total numbers of local branches
e = Error term

3.3.1. Measurement of Variables

Table-1.1. Variables and Measurement

S/N	Variables	Measurement
1.	Independent variable	Total Asset measured by the total asset of the bank
2.	Independent variable	Gross earnings measured by the total earnings of the bank
3.	Independent variable	Number of local branches measured by the total number of branches of a bank at the end of the financial year
4.	Dependent variable	Corporate social responsibility disclosure measured using CSR disclosure framework. One for any disclose and zero if not disclosed.

3.2. CSR Disclosure Framework

Table-1.2. CSR Disclosure Framework

	A. Disclosures of Community Involvement	C.	Disclosures of Environment
1	Donation of public health	1	Environmental standard consideration for extending loan
2	Sponsorship to arts, sports and culture	2	Promoting environmental awareness
3	Scholarship programs	3	Tree plantation (Greening)
4	Assistance to vulnerable groups (women, orphanage, disabled etc)	4	Smoking free area in bank premises
5	Rural development	5	Environmental protection
6	Donation to the education, training and other	6	Sustainability
7	Branch opening	7	Energy
		8	Environmental policies
B.	**Disclosure of Human Resources**	**D.**	**Disclosures of Product and Customers**
1	Training, Seminar and workshop	1	Customer satisfaction
2	Credit facilities under various loan policies	2	Customer complaints
3	Employee remuneration	3	Specific consumer relations (over and beyond "our duty to the customer)
4	Employee family welfare	4	Provision for disabled, aged customers etc
5	Good working environment	5	Provision for difficult to reach customer
6	Individual and branch performance appraisal	6	SME (Small and Medium enterprise banking)
7	Employee health and safety	7	Electronic/online banking
8	Consultation with employees	8	Improvement of customer service
9	Equal opportunities	9	Product research and development
10	Employee Recreation	10	Information about quality of product/services
11	Number of employees receive the training	11	Agricultural and rural credit policy
12	Number of employees in the company		
13	Employees recruitment procedure	**E.**	**Others (Statements)**
14	Employee satisfaction	1	Value added statement
15	Internship Program with cash allowance	2	Corporate governance
16	Part time job facility for the students	3	CSR/CSED in corporate vision
		4	CSR/CSED as title
		5	CSR/CSED pictorials

Source: *Adopted from Lipunga (2013). Corporate social responsibility reporting by commercial banks in annual reports: Evidence from Malawi. University of Malawi publications, 8-101*

4. Data Presentation and Analysis

4.1. Data Presentation

The results are presented and analyzed below;

Table-1.3. Data Presentation

	CSRD	Earnings	Fsize	Number Of Branches
Mean	33.80000	305754.0	73723739	751.2000
Maximum	38.00000	339300.0	3.56E+08	810.0000
Minimum	31.00000	257325.0	2770674.	714.0000
Std. Dev.	2.774887	35240.78	1.58E+08	38.51234
Skewness	0.621635	-0.336088	1.499989	0.600425
Probability	0.007721	0.007836	0.003890	0.007918

Source: Researcher's computation (2018)

From the descriptive statistics of the variables as shown in table 1.1 above, it is observed that CSRD has a mean value of 33.80 with maximum and minimum values of 38.00 and 31.00 respectively. The standard deviation measuring the spread of the distribution stood at 2.77 which is small and suggest cluster around the mean. The mean for PROFEarnings stood at 305754.00 minimum and maximum values of 339300 and 257325.Standard deviation of 35240 shows evidence of clustering of PROF around the mean.

The mean value for FSIZE is 73723739 with maximum and minimum values of 35600000 and 27706740 respectively. The standard deviation stood at 15800008 implies a cluster around the mean. At an average the net worth of firms understudied is ₦73b. Finally, the mean value for firm complexity (FCOMPLEX) stoodat 751with maximum and minimum values of 810 and 714 respectively. This implies that firms under studied have an average of 751 branch network. The standard deviation stood at 38.51234. An evaluation of the Jarque-Bera statistics for the variables reveal normal distribution.

Table-1.4. Pearson Correlation result

	CSRD	Earnings	F size	Number Of Branches
CSRD	1.000000			
PROF	-0.020572	1.000000		
FSIZE	-0.564389	0.533284	1.000000	
FCOMPLEX	-0.320023	0.680465	0.654163	1.000000

Source: Researcher's computation (2018)

Table 1.3 presents the Pearson correlation coefficient result for the variables. As observed, CSRD appears to be negatively associated with PROF, FSIZE and FCOMPLEX as depicted by the correlation coefficient (-0.02), (-0.56) and (-0.32).PROF also shows positive correlation with FSIZE and FCOMPLEX as depicted with correlation coefficient of (0.53) and (0.68).It observed that FSIZE is positively related with FCOMPLEX (0.654). The correlation coefficient results show that none of the variables are strongly correlated and this indicates that the problem of multicollinearity is unlikely and hence the variables are suitable for conducting regression analysis.

Table-1.5. Regression Result of variables

Variable	Coefficient	Std.Error	t-Statistic	Prob
CSRD	35.0334	1.65E	2.12E	0.0000
BRANCHES	-0.0177	3.00E	-5.93E	0.0000
EARNINGS	4.24E	1.88E	2.26E	0.0000
FSIZE	-1.13E	4.00E	-2.82E	0.0000
R-square				0.529
Adjusted R				0.48
Durbin-Watson				2.38
F-stat				2.5
Prob(stat)				0.008

Source: Researcher's computation (2018)

Table 1.4 shows the ordinary least squares regression result conducted using excel sheet . The white heteroskedasticity-consistent standard error is used to control for possible heteroskedasticity in the model while the auto-regressive scheme AR (1) term was included in the model for autocorrelation. As observed, the R^2 and coefficient of determination is 0.54 which indicates that the model explains about 52% of the systematic variations in the dependent variable. The F-stat value of 2.5 and the associated p-value of 0.008 do not provide a basis for rejecting the hypothesis of a joint statistical significance of the model in addition to the assumption of linearity of the model at 5% ($p=0.008>0.05$). The evaluation of the slope coefficients of the explanatory variables reveals the existence of negative relationship between CSRD and firm complexity (COMPLEX) at 5% ($t=-5.9>2$, $p=0.00<0.05$). The finding is consistent with firm theory. The relationship between CARD and earnings positive at 5% ($t=2.5$, $p=0.000<0.05$). The impact of size on Non-audit services on audit quality appears to be negative at 5% ($t= -2.55$, $p=0.0011<0.05$).

Finally, firm size appears have a negative relationship with CSRD at 5% ($t= -2.8$, $p=0.00<0.05$).Durbin Watson statistic (2.8) suggests that the presence of serial correlation between the residuals is unlikely

Table-1.6. Diagnostic Test

Heteroskedasticity	Serial Correlation(LM Test)	Ramsey Reset Test
f-statistic =1.2	f-statistic =0.6051	f-statistic = 1.568
Prob. F(6,672)=0.75	Prob. F(6,672)=0558	Prob. F(6,672)=0.136

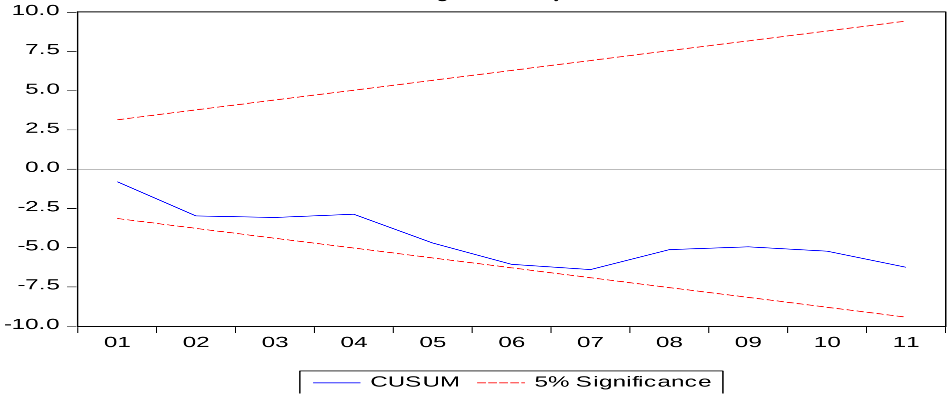
Source: Eviews 7 Output. (2018)

The following diagnostics tests for the regression results indicates the absence of in the model as the Breusch-pagan-Godfrey test was performed on the residuals as a precaution. The results showed probabilities in excess of 0.05, which leads us to reject the presence of heteroscedasticity in the residuals and hence we conclude that the assumption of uniform variance of the residuals is satisfied and the estimates are not biased. The LM test for high order autocorrelation shows that the likelihood of autocorrelation in the residuals is rejected and hence the regression estimates are not biased as the probabilities are greater than 0.05. The Ramsey RESET test was performed to determine whether there were specification errors. The results showed high probability values that were greater than 0.05, meaning that there was no significant evidence of miss-specification

4.2. Stability Test

The CUSUM test Brown *et al.* (1975) is based on the cumulative sum of the recursive residuals. This option plots the cumulative sum together with the 5% critical lines.

Fig-1.2. Stability Test



The test finds parameter instability if the cumulative sum goes outside the area between the two critical lines. As observed from the figure, the lines for the cumulative sum lie within the 5% critical lines and hence this suggests that the parameters of the model are stable.

Table-1.7. Variance Inflation Factor (VIF)

	Coefficient	Uncentered	Centered
Variable	Variance	VIF	VIF
CSRD	44882	13895.5	NA
Earnings	7.40E5	1990.53	20.9322
Fsize	3.07E2	22.1557	17.400
Number Of Branches	0.1640	26400	55.3956

The results of the Jacque-bera statistics assesses the normality of the distribution of scores. The variance inflation factor (VIF) shows how much of the variance of a coefficient estimate of a regressor has been inflated due to collinearity with the other regressors. Basically, VIFs above 10 are seen as a cause of concern as observed, none of the variables have VIF's values exceeding 10 and hence none gave serious indication of multicollinearity.

4.3. Discussion of Findings

From the evaluation of the regression result, the slope coefficients of the explanatory variables reveals the existence of negative relationship between firm complexity and environmental disclosed in the Nigerian banking sector. The result show a significant relationship as the calculated p-value of 0.00isless the critical p-value of 0.05 at 5% level (p>0.05). This implies the more the branch network a bank has, the more it will be unwilling to disclosure environmental issues to the public via its financial statement. This result is in line with a *priori expectation* which suggest that firm complexity has negative relationship with CSRD. Consequently, the null hypothesis (Ho) of no significant relationship between CSRD and Environmental disclosures rejected.

Furthermore, the evaluation of the regression result shows the existence of positive relationship between profitability and CSRD in the Nigerian banking sector as reveal by a p-value of 0.00that is less than the critical at 5% level. This result corroborates extant positive of Gamersahlag *et al.* (2010). This result implies that the higher the profitability, the more the banks will be willing to publish environment issues to the general public and vice versa. Consequently, null hypothesis (Ho) of no significant relationship between profitability and CSRD is rejected.

Finally, the effect of bank size was found to be negatively related to the extent of corporate social responsibility disclosure by Nigerian banks as revealed by p-value of 0.00. This suggests that the bigger, the banks the more they are unwilling to disclose environmental issues. This result is in line with Owolabi (2008) that reveal a negative relationship between firm size and CSRD. Consequently the hypothesis (Ho) of no significant relationship between firm size and CSRD is rejected.

Table-1.8. Descriptive Statistics

	CSRD	Prof	Fsize	Fcomplex
Mean	33.80000	305754.0	73723739	751.2000
Median	33.00000	309936.0	3332375.	750.0000
Maximum	38.00000	339300.0	3.56E+08	810.0000
Minimum	31.00000	257325.0	2770674.	714.0000
Std. Dev.	2.774887	35240.78	1.58E+08	38.51234
Skewness	0.621635	-0.336088	1.499989	0.600425
Kurtosis	2.032468	1.625909	3.249986	2.106661
Jarque-Bera	0.517050	0.487489	1.887992	0.466687
Probability	0.772190	0.783688	0.389070	0.791882
Sum	169.0000	1528770.	3.69E+08	3756.000
Sum Sq. Dev.	30.80000	4.97E+09	9.94E+16	5932.800
Observations	35	35	35	35

Dependent Variable: CSRD
Method: Panel Least Squares
Date: 03/15/18 Time: 14:00
Sample: 2012 2016
Periods included: 5
Cross-sections included: 1
Total panel (unbalanced) observations: 25
White period standard errors & covariance (no d.f. correction)
WARNING: estimated coefficient covariance matrix is of reduced rank

Table-1.9. Dependent Variable

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	35.03409	1.65E-11	2.12E+12	0.0000
Prof	4.24E-05	1.88E-17	2.26E+12	0.0000
Fsize	-1.13E-08	4.00E-21	-2.82E+12	0.0000
Fcomplex	-0.017795	3.00E-14	-5.93E+11	0.0000
R-squared	0.529511	Mean dependent var		33.80000
Adjusted R-squared	0.481954	S.D. dependent var		2.774887
S.E. of regression	4.191783	Akaike info criterion		5.694692
Sum squared resid	17.57105	Schwarz criterion		5.382242
Log likelihood	-10.23673	Hannan-Quinn criter.		4.856108
F-statistic	2.509610	Durbin-Watson stat		2.386485
Prob(F-statistic)	0.008601			
Correlation	CSRD	PROF	FSIZE	FCOMPLEX
CSRD	1.000000	-0.020572	-0.564389	-0.320023
Prof	-0.020572	1.000000	0.533284	0.580465
Fsize	-0.564389	0.533284	1.000000	0.654163
Fcomplex	-0.320023	0.680465	0.654163	1.000000

Variance Inflation Factors
Date: 03/15/18 Time: 14:07
Sample: 1 35
Included observations: 5

Table-1.10. Variable inflation factors

	Coefficient	Uncentered	Centered
Variable	Variance	VIF	VIF
C	48832.00	13895.58	NA
Prof	7.40E-08	1990.532	20.93220
Fsize	3.07E-15	22.15557	17.40040
Fcomplex	0.164064	26400.34	55.39566

F-statistic	0.129522	Prob. F(1,2)		0.7534
Obs*R-squared	0.243288	Prob. Chi-Square(1)		0.6218
Test Equation:				
Dependent Variable: RESID^2				
Method: Least Squares				
Date: 03/15/18 Time: 14:09				
Sample (adjusted): 2 5				
Included observations: 4 after adjustments				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	5.009653	4.456775	1.124053	0.3778
RESID^2(-1)	-0.323112	0.897804	-0.359892	0.7534

R-squared	0.060822	Mean dependent var	3.590299
Adjusted R-squared	-0.408767	S.D. dependent var	3.497823
S.E. of regression	4.151618	Akaike info criterion	5.991726
Sum squared resid	34.47187	Schwarz criterion	5.684873
Log likelihood	-9.983453	Hannan-Quinn criter.	5.318361
F-statistic	0.001295	Durbin-Watson stat	1.973567
Prob(F-statistic)	2.753379		

5. Conclusion and Recommendations

The aim of this research was to empirically investigate Corporate Social Responsibility Disclosure in Commercial banks in Nigeria. Using firm size, bank earnings and number of branches as independent variable, the analysis revealed that the larger the firm (firm size and branch spread), the more it will unwilling to disclosure corporate social responsibility information. Also it was revealed that increase of bank earnings leads to increase in CSR investment. The study therefore concludes that corporate social responsibility disclosure among commercial bank is basically very low and still at its embryonic stage and therefore needs more attention. As bank increase in earnings and bank spread a reasonable amount must be provided for social welfare so that the environments where they operate can feel their positive impact.

Based on the objectives, findings and conclusion on this study, the following recommendations are proffered:

1. The study calls for the need for Regulatory bodies such as Central Bank of Nigeria, Nigeria Deposit Insurance Corporation to set policy guiding and principles in order to improve the financial and non-financial CSR disclosures of banks.
2. Bank should regularly develop CSR reports such as, monetary gifts and donations report, employment of physically challenged persons, employee training and development, employee welfare, conformity to environment and governmental policy, quality policy statement and involvement in community-based projects reports. This will enable stakeholder to measure their disclosure effectively.
3. Bank should focus on activities that will synchronize its corporate goals with the sustainability of the environment. When the environment benefits the bank's bottom line, the bank should also benefit the environment.
4. Bank should increase their branch spread so that other communities can benefit from its CSR investment.
5. In other to increase willingness of CSR disclosure bank should increase its business activities so as to attain higher earnings.

References

Akinpelu, Y. A., Ogunbi, O. J., Olaniran, Y. A. and Ogunseye, T. O. (2013). Corporate social responsibility activities disclosure by commercial banks in Nigeria. *European Journal of Business and Management*, 5(7): 176-79.

Akinpelu, Y. A., Ogunbi, Olaniran and Ogunseye (2016). Corporate social responsibility activities disclosure by commercial banks in Nigeria. *European Journal of Business and Management*, 5(7): 173-85.

Balabanies, G., Phillips, H. and Lyall, J. (1998). Corporate social responsibility and economic performance in the top British companies: are they linked? *European Business Review*, 98(1): 25-44.

Brammer, S. and Pavelin, S. (2018). Factors influencing the quality of corporate environment disclosure. *A Business Strategy and Environmental Journal*, 17(2): 120-26.

Branco, M. C. and Rodrigues (2008). Factor influencing social responsibility disclosure by Portuguese companies. *Journal of Business Research*, 29(1): 21-41.

Brown, R. L., Durbin, J. and Evans, J. M. (1975). Techniques for testing the constancy o regression relationships over time. *Journal of Royal Statistical Society*, 37(2): 149-92.

Clarkson, M. B. E. (1995). A Stakeholder frame work for analyzing and evaluating corporate social performance. *Academy of Management Review*, 20(1): 92-117.

David and Gulier (2008). *Corporate social responsibility*. APS: Venous.

Douglas, D. J. and Johnson, B. (2016). Corporate social reporting in Irish financial institutions. *The TQM magazine*, 16(6): 387-495.

Financialtimes com (2018). Available: http://lexicon.ft.com/Term?term=corporate-social-responsibility--(CSR

Freeman, R. E. (1984). *Strategic management: A stakeholder approach*. Pitman: Boston.

Gamersahlag, R., Moller, K. and Verbeeten, F. (2010). Determinants of voluntary CSR disclosure: Empirical evidence from Germany. *Review of Managerial Science*, 5(2-3): 233–62.

Gunay, S. G. (2010). The Determinants of corporate social and environment responsibility in Turkey. *European Journal of Social Sciences*, 17(3): 404-13. Available: http://darcng.org/first-bank-of-nigeria-corporate-social-responsibility-csr-framework/

Kamal, N. and Yousef, H. (2016). Determinants of corporate social responsibility reporting: Evidence from an emerging economy. *Journal of Comptemporary Issues in Business Research*, 2(3): 56-74.

Lipunga, A. M. (2013). *Corporate social responsibility reporting by commercial banks in annual reports*. University of Malawi Publications: Evidence from Malawi.

Owolabi (2008). *Corporate social responsibility disclosures of Nigeria companies from 2006-2010*. Lagos Business School Publication.

Oyewo, B. M. and Badejo, S. O. (2014). Sustainable development reporting practices by Nigeria banks. *Mediterranean Journal of Social Sciences,* 5(23): 2535-69.

Precious, O. (2016). Corporate social responsibility disclosures in Nigeria quoted companies, (Unpublished Thesis of Department of Accounting Igbinedion university Okada).

Ullmann, A. A. (1985). Data in search of theory: A critical examination of relationships among social disclosure and economic performance of US firms. *Academy of Management Review,* 10(3): 340-557.