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## **OWNERSHIP STRUCTURE AND CORPORATE SOCIAL RESPONSIBILITY OF LISTED OIL AND GAS COMPANIES IN NIGERIA**

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### **Abstract**

The limited integration of ownership dynamics into CSR performance poses a persistent challenge in the Nigerian oil and gas industry. This study investigates the influence of ownership structure on Corporate Social Responsibility (CSR) among listed oil and gas companies in Nigeria. Using a correlational research design, data were drawn from a population of publicly listed oil and gas firms, with a final sample of 80 firm-year observations. Data were collected through content analysis of annual reports and sustainability disclosures. The analysis was carried out using descriptive statistics, correlation, and multiple linear regression, with the aid of STATA software tools. The findings reveal that all three ownership types significantly impact CSR, with foreign ownership demonstrating the most substantial influence, followed by institutional and managerial ownership. These results affirm that external and institutional stakeholders drive firms toward enhanced CSR practices, aligning with stakeholder and legitimacy theories. The study concludes that ownership structure plays a critical role in shaping CSR strategies and transparency levels among oil and gas companies in Nigeria. Based on these findings, the study recommends that firms develop strategic frameworks to attract and retain foreign investors by aligning CSR practices with global sustainability standards. This will not only improve social responsibility outcomes but also enhance competitiveness and investor confidence in the Nigerian oil and gas sector.

**Keywords:** CSR, ownership structure, leverage, listed oil and gas companies

### **1.0 Introduction**

Corporate Social Responsibility (CSR) has become a pivotal aspect of corporate governance, especially within Nigeria's oil and gas sector. This industry, while being a cornerstone of the nation's economy, has been at the center of environmental and social controversies, particularly in the Niger Delta region. Communities in this area have faced significant challenges, including oil spills and environmental degradation, leading to increased scrutiny of oil companies' CSR initiatives. Despite the critical role of CSR in mitigating these issues, the effectiveness and sincerity of these initiatives remain subjects of debate. Studies have highlighted that while companies report CSR activities, the actual impact on community development and environmental restoration is often limited (Odera et al., 2020). This discrepancy raises questions about the motivations behind CSR disclosures and their alignment with genuine corporate accountability.

The lack of a standardized framework for CSR reporting in Nigeria further complicates the assessment of these initiatives. Without mandatory reporting guidelines, companies have the discretion to highlight positive aspects while omitting shortcomings, leading to a skewed representation of their CSR performance. This selective disclosure undermines stakeholders' ability to evaluate the true extent of corporate responsibility and hampers efforts to hold companies accountable for their social and environmental impacts. Moreover, the voluntary nature of CSR in Nigeria means that companies may prioritize profit over social obligations, exacerbating the challenges faced by host communities (Nwagbara & Kalagbor, 2021).

The situation is further exacerbated by the transition of major oil companies, such as Shell, from onshore to offshore operations, leaving behind a legacy of environmental damage and unfulfilled CSR commitments. This shift raises concerns about the continuity and effectiveness of CSR initiatives, especially as local companies take over operations without the same level of resources or international scrutiny. The need for a robust and enforceable CSR framework is evident to ensure that corporate activities contribute positively to the communities and environments they affect (Financial Times, 2024).

Ownership structure is a critical factor influencing corporate behavior, including CSR practices. Managerial ownership, where company executives hold significant shares, can align management interests with those of shareholders, potentially leading to more responsible corporate behavior. However, it can also result in entrenchment, where managers prioritize personal interests over social responsibilities. In Nigeria's oil and gas sector, the impact of managerial ownership on CSR initiatives is complex and requires empirical investigation to understand its nuances fully (Yusuf & Dandago, 2023).

Institutional ownership, involving entities like pension funds and mutual funds, often brings a focus on long-term value and risk management. These institutional investors can exert pressure on companies to adopt sustainable practices and enhance CSR performance. In the Nigerian context, the influence of institutional ownership on CSR is not well-documented, necessitating research to determine whether these investors actively promote social responsibility or remain passive stakeholders (Lawal, 2021).

Foreign ownership introduces another dimension, as international investors may bring different expectations and standards regarding CSR. Foreign stakeholders often advocate for higher transparency and adherence to global CSR norms, potentially influencing Nigerian oil and gas companies to improve their CSR disclosures and practices. However, the extent to which foreign ownership affects CSR in Nigeria remains underexplored, highlighting the need for studies that examine this relationship in detail (Oyerogba et al., 2023).

Despite the recognized importance of CSR in addressing environmental and social challenges in Nigeria's oil and gas sector, there is a lack of comprehensive understanding of how ownership structures influence CSR practices. The roles of managerial, institutional, and foreign ownership in shaping CSR initiatives are not well-defined, leading to gaps in policy and corporate governance. This study aims to fill this gap by examining the impact of different ownership structures on CSR performance among listed oil and gas companies in Nigeria. By doing so, it seeks to provide insights that can inform stakeholders and policymakers in promoting effective CSR strategies that align with both corporate objectives and societal needs.

Understanding the interplay between these ownership structures and CSR is crucial for developing policies that promote responsible corporate behavior. By analyzing how different ownership types influence CSR initiatives, stakeholders can identify mechanisms to enhance corporate accountability and ensure that companies contribute positively to societal and environmental well-being.

### **Research Hypotheses**

**H<sub>01</sub>:** Managerial ownership has no significant impact on CSR in Nigerian oil and gas companies.

**H<sub>02</sub>:** Institutional ownership does not significantly affect CSR performance in Nigerian oil and gas companies.

**H<sub>03</sub>:** Foreign ownership has no significant influence on CSR initiatives in Nigerian oil and gas companies.

### **2.0 Literature Review**

Corporate Social Responsibility (CSR) refers to a company's commitment to operate ethically and contribute to economic development while improving the quality of life for its workforce, local community, and society at large. According to Odera et al. (2020), CSR encompasses initiatives that go beyond legal obligations, focusing on environmental protection, social equity, and economic growth. Nwagbara and Kalagbor (2021) emphasize that CSR in Nigeria's oil and gas sector is crucial due to the industry's significant environmental impact, necessitating proactive measures to address community concerns and environmental degradation. Oyerogba et al. (2023) further highlight that effective CSR practices can enhance corporate reputation and stakeholder trust, leading to sustainable business operations. In this study, CSR is defined as the voluntary and strategic actions undertaken by listed oil and gas companies in Nigeria to manage their social, environmental, and economic impacts, aiming to foster sustainable development and stakeholder engagement.

Managerial ownership denotes the proportion of a company's shares held by its executives and directors, aligning their interests with those of shareholders. Yusuf and Dandago (2023) assert that higher managerial ownership can mitigate agency conflicts, leading to decisions that favor long-term corporate health. Lawal (2021) suggests that when managers have a significant stake in the company, they are more likely to engage in CSR activities that enhance firm value. Oyerogba et al. (2023) also indicate that managerial ownership influences CSR disclosure levels, as managers with substantial ownership may prioritize transparency to protect their investments. For this research, managerial ownership is the percentage of shares held by company executives and board members in listed Nigerian oil and gas firms, influencing their commitment to CSR initiatives.

Institutional ownership refers to the shareholding by large entities such as mutual funds, pension funds, and insurance companies. According to Lawal (2021), institutional investors often advocate for robust CSR practices to safeguard their investments. Nwagbara and Kalagbor (2021) note that institutional ownership can lead to improved CSR disclosures due to the pressure these investors exert on management. Oyerogba et al. (2023) observe that institutional investors' demand for transparency and accountability can drive companies toward more comprehensive CSR reporting. In this context, institutional ownership is the proportion of shares in listed Nigerian oil and gas companies held by institutional investors, which can influence the firms' CSR performance through active monitoring and advocacy.

Foreign ownership entails the holding of a company's shares by non-domestic investors. Oyerogba et al. (2023) argue that foreign investors often bring international CSR standards and expectations, potentially enhancing local firms' CSR practices. Nwagbara and Kalagbor (2021) highlight that foreign ownership can introduce global best practices in CSR, influencing domestic companies to adopt more rigorous social and environmental policies. Lawal (2021) suggests that foreign investors may demand higher CSR standards to align with international norms and protect their reputations. For this study, foreign ownership is defined as the percentage of shares in Nigerian oil and gas companies held by investors from outside Nigeria, potentially affecting CSR activities through the introduction of global standards and practices.

### **Empirical Framework Managerial Ownership and CSR**

Yusuf and Dandago (2023) investigated the moderating effect of managerial ownership on the relationship between community relations disclosure and firm value among listed oil and gas companies in Nigeria. Utilizing panel data from 2018 to 2020 and employing multiple linear regression analysis with Panel Corrected Standard Error (PCSE), they found that higher managerial ownership positively influences the association between community relations disclosure and firm value. This suggests that when managers hold significant equity stakes, they are more inclined to engage in CSR activities that enhance firm value. Similarly, Oyerogba et al. (2023) examined the impact of managerial ownership on carbon emission disclosure quality in Nigerian oil and gas companies. Using an ordered logistic regression analysis on data from 22 listed firms, the study revealed that managerial ownership positively affects carbon emission disclosure quality. This indicates that managers with substantial ownership are more committed to transparent environmental reporting, aligning with broader CSR objectives.

In the consumer goods sector, Abdullahi et al. (2023) analysed the effect of managerial ownership on CSR among Nigerian firms. Employing a random effect regression model on data from 17 firms between 2012 and 2021, they found that managerial ownership has a significant positive effect on CSR activities. The study concludes that when directors hold a considerable percentage of shares, they are more committed to CSR initiatives, enhancing the company's social responsibility profile.

### **Institutional Ownership and CSR**

Lawal (2021) explored the relationship between institutional ownership and audit quality reporting in Nigerian oil and gas companies. Through regression analysis of annual reports, the study found that institutional investors positively influence CSR activities by demanding greater transparency and accountability, thereby enhancing audit quality. More so, Nwagbara and Kalagbor (2021) conducted a qualitative analysis on institutional pressures and CSR reporting patterns in Nigeria's oil industry. The findings of the study indicate that institutional investors play a pivotal role in shaping CSR disclosures, as their expectations and demands compel companies to adopt more comprehensive CSR practices. Conversely, Oyerogba et al. (2024) assessed the effect of institutional ownership on carbon emission disclosure quality in Nigerian oil and gas firms. Using ordered logistic regression analysis, they discovered a negative correlation between institutional ownership and carbon emission disclosure quality. This suggests that institutional investors may favor weaker carbon-related disclosures, potentially to exploit minority shareholders.

### **Foreign Ownership and CSR**

Oyerogba et al. (2024) also examined the influence of foreign ownership on carbon emission disclosure quality in Nigerian oil and gas companies. Their analysis revealed that firms with a greater proportion of foreign ownership exhibit higher carbon emissions disclosure quality. This implies that foreign investors bring international CSR standards and expectations, enhancing local firms' CSR practices. In addition, Nwagbara and Kalagbor (2021) highlighted that foreign ownership introduces global CSR norms, encouraging domestic companies to enhance their social and environmental responsibilities. Their study underscores the role of foreign investors in promoting rigorous CSR policies within Nigerian firms. Finally, Lawal (2021) found that foreign investors demand higher CSR standards, leading to improved CSR performance in firms with significant foreign ownership. This suggests that foreign ownership can be a catalyst for adopting more robust CSR initiatives in the Nigerian oil and gas sector.

### **Theoretical Framework**

Stakeholder theory posits that companies have obligations not only to shareholders but also to other stakeholders, including employees, customers, suppliers, and the community. This theory underpins the study's focus on CSR, emphasizing the importance of addressing the interests of all stakeholders. In the context of Nigerian oil and gas companies, stakeholder theory suggests that ownership structures influence how firms respond to stakeholder demands for CSR. The theory is particularly relevant in the Nigerian oil and gas sector, where environmental degradation and community relations are critical issues. Firms with significant foreign or institutional ownership may be more attuned to stakeholder expectations, leading to enhanced CSR practices.

### **Agency Theory**

Agency theory examines the relationship between principals (shareholders) and agents (managers), highlighting potential conflicts of interest. The theory is relevant to managerial ownership, as higher managerial stakes can align managers' interests with those of shareholders, potentially enhancing CSR performance. Institutional and foreign ownership can also mitigate agency problems by monitoring management and advocating for responsible corporate behavior. In the Nigerian context, where corporate governance challenges are prevalent, agency theory provides a framework for understanding how different ownership structures can influence CSR outcomes. For instance, managerial ownership may reduce agency costs by aligning management's interests with those of shareholders, leading to more socially responsible decisions.

### **Legitimacy Theory**

Legitimacy theory suggests that organizations seek to operate within the bounds and norms of their respective societies. Companies engage in CSR activities to legitimize their operations and ensure continued access to resources. In the Nigerian oil and gas sector, where environmental and social concerns are prominent, firms may adopt CSR practices to maintain legitimacy in the eyes of stakeholders. Ownership structure plays a role in this process, as foreign and institutional investors may pressure firms to adhere to international CSR standards, thereby enhancing their legitimacy. This theory complements stakeholder and agency theories by providing a broader societal perspective on CSR engagement.

## **3.0 Research Methodology**

This section outlines the research methodology adopted to assess the effect of ownership structure proxied by managerial ownership, institutional ownership, and foreign ownership on Corporate Social Responsibility (CSR) among listed oil and gas firms in Nigeria. The study

adopts a correlational research design, appropriate for identifying the degree and direction of associations between multiple variables without implying causal relationships. This design facilitates the evaluation of how changes in ownership structure relate to variations in CSR aligning with previous quantitative studies (Field, 2013). Correlational designs are especially effective in business research when data are observational and longitudinal, as in this study. The choice is also consistent with the recommendations of Fama and Jensen (1983), who emphasize that firm-level governance attributes can shape strategic disclosures like CSR.

The target population consists of nine (8) oil and gas companies listed on the Nigerian Exchange Group (NGX) as of 2023. These firms were selected due to their economic significance and relevance in CSR policy discourse, particularly concerning environmental stewardship and community relations. The oil and gas sector, as highlighted by Brammer and Pavelin (2008), bears unique social and ecological responsibilities, necessitating a closer examination of how ownership dynamics affect CSR initiatives.

**Table 1:**  
***List of Listed Oil and Gas Companies in Nigeria***

S/N	Company Name	Year Listed	Year of Incorporation
1	Capital Oil Plc	1985	1985
2	Conoil Plc	1989	1970
3	Eterna Plc	1998	1989
4	Japaul Gold & Ventures Plc	2005	1994
5	MRS Oil Nigeria Plc	1978	1969
6	Oando Plc	1992	1969
7	Seplat Energy Plc	2014	2009
8	TotalEnergies Nigeria Plc	2001	1956

**Source:** Author's Compilation, 2023.

From the total population, all the eight (8) firms were purposively selected based on the criterion of consistent availability of annual reports between 2013 and 2022. This selection ensures data integrity and enhances longitudinal comparability. Firms that failed to meet the minimum requirement for transparent, uninterrupted financial reporting during the study window were excluded. The purposive sampling technique was deemed appropriate given the focus on firms with comprehensive CSR disclosures and ownership structure data.

The study is based on secondary data, drawn exclusively from the audited annual reports, corporate governance disclosures, and sustainability reports of the sampled firms. These documents were sourced from the official company websites, the Nigerian Exchange Group (NGX), and other financial data repositories. The data cover firm-specific governance and financial attributes such as ownership composition and CSR. A content analysis approach was used to extract CSR data based on the Global Reporting Initiative (GRI) checklist, enabling quantification for statistical analysis.

To rigorously examine the relationship between ownership structure variables and Corporate Social Responsibility (CSR) disclosure, the study employed Multiple Linear Regression Analysis, executed through and STATA (Version 12). This analytical approach adeptly

captures the collective influence of multiple independent variables on a single dependent outcome, while controlling for potential confounding factors such as leverage.

Table 1:  
**Variable Definition and Measurement**

Variable Name	Nature of Variable	Scale	Definition of Measurement	Source(s)
Corporate Social Responsibility (CSR) Disclosure	Dependent Variable (DV)	Interval	Measured using a CSR disclosure index based on GRI (Global Reporting Initiative) standards; calculated as the ratio of disclosed CSR items to the total applicable items.	Reverte (2009); Gamerschlag et al. (2011)
Managerial Ownership	Independent Variable (IV)	Ratio	Percentage of shares held by executive directors and top management, computed as proportion of total shares owned by management to total outstanding shares.	Nurleni et al. (2018); Dakhli (2021)
Institutional Ownership	Independent Variable (IV)	Ratio	Percentage of shares held by institutional investors (e.g., pension funds, mutual funds); calculated as institutional shares divided by total outstanding shares.	Nurleni et al. (2018); Dyck et al. (2019)
Foreign Ownership	Independent Variable (IV)	Ratio	Proportion of shares held by foreign investors; measured as foreign shares owned divided by total outstanding shares.	Guo & Zheng (2021); Masud et al. (2018)
Leverage	Control Variable (CV)	Ratio	Measured using the debt-to-equity ratio; calculated as total liabilities divided by total shareholders' equity.	Febryanti & Suhendah (2023); Li & Zhang (2010)

**Source:** Authors compilation, 2023.

**Model Specification**

To examine the effect of ownership structure on Corporate Social Responsibility (CSR) disclosure among listed oil and gas companies in Nigeria, the study employed a panel multiple linear regression model. The model was specified as follows:

$$CSR_{it} = \beta_0 + \beta_1 MO_{it} + \beta_2 IO_{it} + \beta_3 FO_{it} + \beta_4 LEV_{it} + \epsilon_{it} \dots\dots\dots (1)$$

Where:

- CSR<sub>it</sub> = Corporate Social Responsibility disclosure score for firm *i* at time *t*
- MO<sub>it</sub> = Managerial Ownership (%)
- IO<sub>it</sub> = Institutional Ownership (%)
- FO<sub>it</sub> = Foreign Ownership (%)
- LEV<sub>it</sub> = Leverage (Total Debt/Total Assets)
- β<sub>0</sub> = Intercept

$\beta_1, \beta_2, \beta_3, \beta_4$  = Coefficients of independent variables  
 $\varepsilon_{it}$  = Error term

This panel model accounts for both cross-sectional (firm-level) and time-series (yearly) variations, making it suitable for analysing multi-year firm data.

#### 4.0 Results and Discussion

This section presents the results of the study, structured into descriptive statistics, correlation analysis, multicollinearity assessment, regression analysis, hypothesis testing, and discussion of findings. The results provide insights into how ownership structure impact on CSR of listed oil and gas companies in Nigeria. Table 1 presents the descriptive statistics for the variables used in the study, including Corporate Social Responsibility (CSR), managerial ownership, institutional ownership and foreign ownership and leverage. These statistics offer an overview of the central tendency and dispersion of each variable, along with the distribution characteristics.

Table 1 presents the descriptive statistics for the study variables: CSR an ownership structure comprising managerial ownership, institutional ownership, foreign ownership (IVs), and leverage (control variable).

**Table 1**  
***Descriptive Statistics of Study Variables***

Variable	Mean	Std. Dev.	Min	Max
Corporate Social Responsibility (CSR)	0.531	0.187	0.134	0.890
Managerial Ownership	12.64	8.732	1.21	35.43
Institutional Ownership	28.93	15.401	4.58	67.92
Foreign Ownership	19.71	10.214	3.02	48.77
Leverage	0.412	0.139	0.127	0.731

**Source:** STATA version 10, 2023.

The descriptive statistics presented in Table 1 provide a snapshot of the ownership structure and CSR disclosure practices among listed oil and gas firms in Nigeria. The average CSR disclosure score of 0.531 indicates a moderate level of corporate engagement with social and environmental responsibilities. This suggests that while CSR is being reported, there remains substantial room for improvement in transparency and sustainability efforts across the sector. The relatively wide range of a minimum value of 0.134 to a maximum value of 0.890 reflects significant variability in CSR performance, potentially influenced by differences in governance practices, stakeholder pressure, or resource availability among firms.

With respect to ownership structure, managerial ownership shows a relatively low mean of 12.64% with a standard deviation of 8.732, implying that insider control is limited and varies considerably across firms. In contrast, institutional ownership has a higher average of 28.93%, accompanied by greater dispersion (SD = 15.401), suggesting that these entities hold a more prominent and influential role in corporate governance. Foreign ownership stands at a moderate mean of 19.71%, which may reflect the openness of Nigerian oil and gas firms to international investment. Finally, the leverage ratio, with a mean of 0.412, points to moderate debt dependency within the sector, highlighting a balanced but cautious use of financial leverage.

These figures collectively offer essential context for assessing the impact of ownership structure on CSR practices.

**Correlation Matrix**

To understand the relationships between variables, a Pearson correlation analysis was conducted.

**Table 2**  
*Correlation Matrix*

<b>Variables</b>	<b>CSR</b>	<b>Managerial Ownership</b>	<b>Institutional Ownership</b>	<b>Foreign Ownership</b>	<b>Leverage</b>
CSR	1				
Managerial Ownership	.215*	1			
Institutional Ownership	.289**	.134	1		
Foreign Ownership	.346**	.158	.417**	1	
Leverage	-.124	-.058	-.091	-.146	1

**Source:** STATA version 10, 2023. \*p < .05, \*\*p < .01

The correlation matrix in Table 2 provides insights into the strength and direction of linear relationships between the study variables. Notably, foreign ownership exhibits the strongest significant positive correlation with CSR disclosure ( $r = .346, p < .01$ ), suggesting that companies with higher levels of foreign equity participation are more likely to adopt and disclose CSR practices. This supports the notion that foreign investors, often influenced by international standards and expectations, play a pivotal role in driving corporate accountability and sustainability in emerging markets like Nigeria. Similarly, institutional ownership shows a moderate but significant positive correlation with CSR ( $r = .289, p < .01$ ), indicating that the presence of institutional shareholders, such as pension funds and asset managers, may encourage more structured and transparent CSR reporting.

Managerial ownership is positively associated with CSR as well ( $r = .215, p < .05$ ), albeit to a lesser extent. This indicates that insiders with equity stakes may be moderately inclined to engage in CSR, potentially as a strategy to enhance reputation or align with stakeholder interests. However, the relatively weaker correlation compared to foreign and institutional ownership suggests that internal motivations may not be as strong as external pressures in promoting CSR. Leverage, on the other hand, displays a negative but non-significant correlation with CSR ( $r = -0.124$ ), implying that higher debt levels may be weakly associated with lower CSR activities, although this relationship lacks statistical significance. Overall, the correlation results reinforce the hypothesis that ownership structure especially foreign and institutional ownership has meaningful implications for CSR engagement within the Nigerian oil and gas sector.

**Multiple Regression Analysis**

Multiple linear regression was conducted to examine the combined and individual effects of ownership structure on CSR, controlling for leverage.

**Table 3**

**Multiple Regression Analysis Predicting CSR Disclosure**

Predictor	B	SE	t	p-value	95% CI for B
Constant	0.321	0.084	3.821	.000	[0.155, 0.487]
Managerial Ownership	0.004	0.002	2.103	.039*	[0.0002, 0.008]
Institutional Ownership	0.006	0.002	2.841	.006**	[0.002, 0.010]
Foreign Ownership	0.007	0.002	3.584	.001**	[0.003, 0.011]
Leverage	-0.051	0.043	-1.186	.241	[-0.137, 0.035]

Model Statistics:  $R^2 = .372$ ,  
Adjusted  $R^2 = .348$ ,  
 $F(4, 75) = 10.56$ ,  $p < .001$

**Source:** STATA version 10, 2024

The multiple regression analysis offers compelling evidence that ownership structure significantly influences CSR disclosure among listed oil and gas companies in Nigeria. Among the predictors, foreign ownership exerts the most substantial positive effect on CSR ( $\beta = 0.007$ ,  $p < .01$ ), indicating that firms with greater foreign investment are more likely to engage in socially responsible activities. This finding supports the stakeholder and legitimacy theories, which posit that foreign investor often guided by global best practices demand higher levels of transparency, ethical conduct, and sustainable operations from the firms they invest in. Such pressure may lead firms to adopt CSR not merely as a compliance tool but as a strategic priority to attract and retain international capital

Institutional ownership also demonstrates a statistically significant and positive influence on CSR disclosure ( $\beta = 0.006$ ,  $p < .01$ ). This suggests that institutional shareholders play a key role in shaping corporate policies toward greater sustainability and accountability. Their professional oversight, long-term investment outlook, and governance expertise likely encourage management to adopt robust CSR frameworks. Managerial ownership, while contributing a smaller effect ( $\beta = 0.004$ ,  $p < .05$ ), still significantly impacts CSR, implying that when executives have a financial stake in the company, they are moderately more inclined to pursue social responsibility initiatives. Conversely, leverage shows a negative but statistically insignificant relationship with CSR, indicating that financial pressure from debt obligations does not substantially influence CSR decisions in this context. Overall, these findings underscore the importance of ownership dynamics in determining CSR engagement in Nigeria's extractive sector.

The hypothesis testing results affirm that ownership structure has a statistically significant influence on CSR disclosure among Nigerian oil and gas companies. Specifically, the null hypothesis stating that managerial ownership has no significant impact on CSR is rejected based on a p-value of 0.039. This implies that as managerial ownership increases, CSR engagement also improves likely due to stronger alignment between management and long-term organizational goals, including social responsibility. Similarly, the hypothesis regarding institutional ownership's insignificance is rejected based on a p-value of 0.006, demonstrating that institutional investors play a critical role in encouraging firms to adopt transparent and sustainable business practices. Their involvement appears to push companies toward greater accountability, especially in meeting stakeholder expectations and upholding regulatory standards. Furthermore, the hypothesis concerning foreign ownership's lack of influence on CSR is strongly rejected on the basis of p-value of 0.001, confirming that foreign investors are

a major driver of CSR adoption. This aligns with international expectations for corporate behavior and the influence of global governance norms.

The combined rejection of all three null hypotheses not only validates the impact of ownership structure on CSR but also supports theoretical perspectives such as stakeholder theory which emphasizes the role of external stakeholders in shaping firm behavior and legitimacy theory, which underscores a firm's drive to maintain social approval. These outcomes resonate with recent empirical evidence (e.g., Adegbite et al., 2022; Ezeoha et al., 2021; Nwobu, 2023), affirming that a diversified ownership base fosters a more responsible and publicly accountable corporate culture.

## **5.0 Conclusions and Recommendations**

This study examined the impact of ownership structure—managerial, institutional, and foreign ownership on Corporate Social Responsibility (CSR) disclosure among listed oil and gas companies in Nigeria, with leverage as a control variable. The findings revealed that all three ownership dimensions significantly and positively influence CSR practices, with foreign ownership exerting the strongest effect. Descriptive statistics indicated moderate CSR disclosure levels across the sector, while correlation and regression analyses confirmed the relevance of diverse ownership structures in promoting transparency and accountability. These insights reinforce stakeholder and legitimacy theories, suggesting that external and institutional pressures shape firms' CSR behavior.

### **Conclusions**

The study concludes that foreign ownership is a major catalyst for advancing CSR engagement in Nigeria's oil and gas sector. Companies with substantial foreign shareholding consistently demonstrate greater commitment to CSR disclosure, suggesting that international investors enforce global standards of transparency and accountability. Their influence drives firms to align with environmental, social, and governance (ESG) principles as a strategy for maintaining legitimacy and attracting sustained investment.

Additionally, institutional investors are found to be key actors in promoting responsible corporate conduct. By exerting governance oversight and advocating for long-term value creation, institutions encourage firms to adopt ethical practices and robust sustainability frameworks. Although managerial ownership plays a comparatively modest role, it still contributes positively to CSR engagement, implying that aligning executive interests with the company's ethical agenda fosters internal motivation for corporate responsibility initiatives. Managerial ownership, although exerting a smaller influence, contributes positively to CSR, likely due to increased alignment between management and the firm's long-term ethical objectives.

### **Recommendations**

To enhance CSR performance, firms should proactively attract and retain foreign investors who advocate responsible governance by aligning their operations with global sustainability benchmarks. Companies should establish measurable CSR commitments that mirror international expectations to ensure competitiveness and investor confidence. Moreso, Institutional investors, on their part, are encouraged to implement formal engagement strategies. These strategies should include CSR-aligned investment guidelines and active monitoring mechanisms to hold firms accountable for ethical performance. Additionally, corporate boards must consider equity-linked compensation policies that tie managerial

rewards to CSR outcomes. These incentives should be realistic, measurable, and subject to annual evaluation to motivate sustained executive commitment to social and environmental priorities. Corporate boards should incentivize managerial ownership through equity-linked compensation schemes aimed at promoting CSR-aligned decision-making, with measurable targets reviewed annually.

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