



**CORPORATE SOCIAL RESPONSIBILITY AND STAKEHOLDER ENGAGEMENT:  
EVIDENCE FROM NIGERIA'S TELECOMMUNICATION SECTOR**

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**Abstract**

This study investigates the role of corporate social responsibility (CSR) in shaping organizational outcomes and firm–community relationships in Nigeria's telecommunication industry, with a particular focus on Globacom. Drawing on primary data from staff and customers, supported by secondary literature, the study applied descriptive analysis and chi-square testing to evaluate perceptions of CSR and its effectiveness. The findings reveal that CSR initiatives significantly enhance organizational reputation, strengthen community relations, and contribute to both company legitimacy and socio-economic development. The study further demonstrates that CSR is most impactful when it is co-created with stakeholders, strategically aligned with corporate objectives, and accompanied by consistent service delivery. From a theoretical standpoint, the results affirm stakeholder theory and institutional perspectives that highlight CSR as both a strategic resource and a governance substitute in emerging economies. Policy implications underscore the need for firms to embed CSR as a core strategic investment, while regulatory bodies should incentivize CSR practices that align with national development priorities. Ultimately, the study contributes to the literature on CSR in developing markets by providing empirical evidence that telecommunication firms can act as catalysts for sustainable growth and community resilience.

**Keywords:** *Corporate Social Responsibility, Stakeholder Engagement, Organizational Legitimacy, Community Development, Telecommunication Industry, Nigeria.*

**JEL Codes:** M14, L96, O55, Q56

## **Introduction**

Corporate Social Responsibility (CSR) has evolved from being a peripheral managerial concern into a central component of firm strategy, especially in developing countries where regulatory frameworks may be weak and where firms are expected to contribute to social welfare beyond profit making. In Nigeria, the telecommunications sector represents one of the fastest growing industries, with telecom operators commanding a large user base and expansive reach into both urban and rural areas. Given this pervasive presence, telecommunications firms are uniquely positioned to affect host communities through CSR interventions in infrastructure, education, health, environment, and social welfare. Yet, there remains a gap in the scholarship regarding how effectively these CSR activities translate into material improvements in living conditions for host communities, particularly in recent years.

Many scholars have begun to examine the outcomes of CSR in the Nigerian context. For example, Morohunfolu, Adeleke, and Yahaya (2023) found that CSR significantly impacts social development in Lagos State via MTN's initiatives such as scholarships, environmental practices, and charity, though the effect on profitability was weaker. Other studies on competitive advantage suggest that ethical, legal, philanthropic, and economic dimensions of CSR positively affect telecom firms' standing among stakeholders (Asenge et al., 2023). At the same time, recent legislative debates highlight persistent concerns that some telecom operators are not doing enough to deepen CSR activities in underserved host communities. This juxtaposition of promising empirical findings with ongoing public concern underscores the importance of systematically investigating how CSR in Nigeria's telecommunications sector affects host communities, what motivates firms, and how planning and implementation align with local needs.

To understand the effect of CSR on host communities, it is first necessary to examine the arguments for and against CSR initiatives in this sector. Advocates argue that CSR helps firms gain legitimacy, competitive advantage, and stakeholder goodwill, which in turn can lead to better business performance. On the other hand, critics posit that some CSR efforts are superficial or symbolic, often regarded as public relations exercises, especially when firms' core business operations continue to generate negative externalities without commensurate remedial CSR efforts. There is also the argument of opportunity cost, as resources spent on CSR might be diverted from core operations or passed off as philanthropy without rigorous measurement of outcomes. The present study seeks to evaluate these competing positions in

the specific setting of telecommunications in Nigeria, assessing how both claims map onto the lived realities of host communities.

A second concern is whether firms such as Globacom Nigeria Limited are actively involved in CSR and, if so, the magnitude of their activities. While earlier studies suggest that telecom firms, including Globacom, have engaged in charitable donations, community projects, and social amenities, more recent data remain limited. The present study aims to explore the types of CSR programmes Globacom undertakes, such as infrastructure, health, education, environmental remediation, and youth empowerment, as well as the scale in terms of resources or reach. Establishing the extent of these activities provides a necessary baseline for evaluating their effect on host communities.

The third objective is to determine whether immediate community environments are taken into account during the planning and implementation of CSR projects. Literature suggests that CSR initiatives are more sustainable and effective when host communities are involved in needs assessment, project design, implementation, and monitoring (Njoku & Okoro, 2022). Experiences from other sectors in Nigeria, such as oil and gas, show that non-participation and lack of stakeholder input often weaken CSR outcomes and fuel tensions (Izidor, 2022). This study therefore considers whether, in the telecom sector and specifically in the case of Globacom, there is evidence of community consultation, needs-driven project selection, and environmentally sensitive implementation.

Finally, it is necessary to explore the factors that motivate telecom firms in Nigeria to adopt CSR programmes. Motivations may include regulatory or legal requirements, stakeholder pressure from communities, customers or government, reputational enhancement, competitive advantage, or moral and ethical commitments. Studies on MTN suggest that ethical and philanthropic responsibilities significantly influence competitive advantage, implying that firms may perceive CSR as part of corporate strategy rather than merely compliance or charity (Asenge et al., 2023). Other potential motivators include tax incentives, corporate governance frameworks, or alignment with global sustainability goals and environmental, social, and governance standards. The study will examine which of these motivations are most salient for Globacom and whether they correlate with more effective CSR outcomes in host communities. In conclusion, by examining the arguments for and against CSR, the extent of Globacom's CSR engagement, the role of host communities in planning and implementation, and the motivations underlying CSR adoption, this study seeks to provide a nuanced understanding of the effect of CSR on host communities in Nigeria's telecommunications sector. Such insights

will contribute to academic discourse while also offering practical implications for telecom firms, policymakers, and community stakeholders aiming to align CSR with sustainable development outcomes.

### **Literature Review**

Corporate Social Responsibility (CSR) scholarship has matured into several theoretical strands that are particularly useful for analysing CSR in the Nigerian telecommunications sector. Stakeholder theory locates responsibility in the network of relationships that firms must manage, arguing that firms derive legitimacy and long-term value by responding to the claims of multiple stakeholders rather than focusing narrowly on shareholder returns. This theoretical frame helps explain why telecommunications firms often frame CSR as a route to legitimacy and market acceptance (Amaeshi et al., 2015; Amaeshi, Adegbite & Rajwani, 2016). Resource-based and strategic management perspectives extend this idea by showing how CSR investments can become valuable, rare, inimitable and non-substitutable resources when embedded in firm capabilities and reputation; empirical work in service and network industries indicates that CSR can be intentionally deployed as a source of competitive advantage when it is aligned with firm strategy and stakeholder expectations (Amaeshi et al., 2015; Ogbemudia et al., 2022). Complementing these views, normative and institutional approaches stress that the meaning and practice of CSR are shaped by regulatory frameworks, local institutions and governance quality; scholars therefore caution that CSR in contexts characterised by weak institutions—such as parts of Nigeria—takes on adaptive, hybrid forms that may differ significantly from Western models (Amaeshi et al., 2016; Inekwe, Hashim & Yahya, 2020).

The theoretical literature also foregrounds important critiques and refinements that are essential for any empirical inquiry. One recurring critique is that CSR may be decoupled from substantive social improvement and instead serve as symbolic compliance or impression management — that is, firms may engage in “window dressing” CSR that improves public image without addressing root causes of community disadvantage. Institutional theory and critical political economy accounts show how CSR can sometimes reproduce dependency or legitimize firms’ operations while leaving structural inequalities unchanged; this insight matters for telecom firms operating in Nigeria because the visibility and scale of telecom operations can generate high expectations that are not always matched by durable community benefits (Amaeshi et al., 2016; Johnston, 2021). In addition, recent theoretical work on obliged or mandated CSR reframes some CSR practice as a quasi-regulatory or governance tool,

suggesting that the degree to which CSR delivers developmental outcomes depends not only on firm willingness but on the presence of mechanisms for accountability, transparency and local participation (Johnston, 2021; Inekwe et al., 2020).

Empirical studies provide a nuanced picture of how these theories play out in practice. Cross-sectoral studies in Nigeria show that CSR initiatives can have measurable positive impacts on local livelihoods — for example, CSR programmes focused on skills training, microenterprise support and women’s groups have been associated with increased social capital and improved economic participation in oil-host and rural communities (Uduji & Okolo-Obasi, 2022; Uduji, 2017). Telecom-specific empirical work, while less abundant than studies of extractives, indicates that telecommunications companies’ CSR activities are often development-oriented and can stimulate entrepreneurship, digital inclusion and small business opportunities when programs are properly targeted and sustained (Raimi et al., 2022). Case studies and surveys of Nigerian telecom actors also point to positive effects of CSR on customer perceptions, brand loyalty and community goodwill, which can translate into strategic legitimacy for firms operating in competitive markets (Ogbemudia et al., 2022; He & Harris, 2020).

At the same time, empirical research highlights persistent limitations and heterogeneity in outcomes. Several studies find that CSR impact is uneven across communities and types of interventions: infrastructure donations and one-off philanthropic acts produce short-term visibility but often lack mechanisms for local ownership or maintenance, whereas programmes co-designed with community groups (for instance women’s cooperatives or local enterprises) produce more durable social capital and livelihood gains (Uduji, 2017; Raimi et al., 2022). Empirical analyses using multi-country or multi-firm datasets also underscore the mediating role of governance quality and institutional capacity: in settings where public governance is weak and accountability mechanisms are thin, CSR may relieve immediate needs but can also displace state responsibility or entrench elite capture unless safeguards are in place (Inekwe et al., 2020; Amaeshi et al., 2016). The COVID-19 pandemic further complicated the empirical landscape by both amplifying social needs and prompting firms to recalibrate CSR priorities; research on pandemic effects suggests CSR evolved toward crisis response and stakeholder protection, creating opportunities for authentic, high-impact engagement but also exposing risks of opportunistic PR responses (He & Harris, 2020).

Taken together, the theoretical and empirical literatures imply several testable propositions relevant to the telecommunications sector in Nigeria. First, when CSR is strategically aligned with firm capabilities and when projects are co-designed with local stakeholders, outcomes for

host communities are more likely to be substantive and durable. Second, the presence of institutional supports — including clear accountability mechanisms, local governance capacity and inclusive participation platforms — enhances the developmental effectiveness of CSR interventions. Third, sectoral characteristics matter: the telecom industry's network effects, digital platforms and ability to scale services create both opportunities (digital inclusion, entrepreneurship) and challenges (unequal access, expectations management) that differentiate telecom CSR from extractive or manufacturing sectors. Empirical work specific to telecom firms in Nigeria supports these propositions but also underscores heterogeneity across firms and communities; therefore, focused case studies (for example examining Globacom's programmes) alongside comparative analyses are especially valuable for disentangling what works, for whom, and under what institutional conditions.

### **Hypotheses**

The first hypothesis addresses whether organizational involvement in corporate social responsibility has an effect on both the company and its host communities. Theoretically, stakeholder theory and legitimacy theory posit that firms derive long-term value and social license to operate when they meet stakeholder expectations through CSR practices (Freeman et al., 2020; Suchman, 1995). Empirical evidence in emerging markets, including Nigeria, suggests that CSR initiatives targeting education, healthcare, and infrastructure can significantly improve community welfare while simultaneously strengthening firms' reputational capital and customer loyalty (Amaeshi et al., 2016; Uduji & Okolo-Obasi, 2022). Studies further indicate that CSR in telecommunications improves host community outcomes by reducing social tensions and enhancing digital inclusion, thereby contributing to both community well-being and firm performance (Raimi et al., 2022; Ogbemudia et al., 2022). Nevertheless, critiques emphasize that superficial CSR, often implemented as ad hoc philanthropy, may fail to deliver tangible benefits or alter underlying inequalities, underscoring the need to empirically test its effectiveness (Johnston, 2021). Accordingly, the first null hypothesis to be tested is: the organization's involvement in CSR does not have an effect on the company and its host community.

The second hypothesis examines whether Globacom's CSR programme enhances the relationship between the organization and society. Relationship marketing and social exchange theory propose that reciprocal exchanges between firms and stakeholders, when perceived as fair and beneficial, cultivate trust and strengthen organizational–societal ties (Cropanzano &

Mitchell, 2005; He & Harris, 2020). Empirical studies have shown that CSR in Nigerian telecommunications fosters stronger community engagement, customer loyalty, and legitimacy for firms by addressing pressing social needs such as youth empowerment and digital skills training (Asenge et al., 2023; Morohunfola et al., 2023). Globally, evidence also demonstrates that CSR initiatives enhance stakeholder trust and reduce conflicts in host communities, thereby fostering sustainable firm–society relationships (Brammer & Millington, 2008; Farooq et al., 2021). However, where CSR efforts lack participatory planning or transparency, communities may perceive them as manipulative or inadequate, weakening rather than strengthening relationships (Njoku & Okoro, 2022). Thus, the second null hypothesis to be tested is: Globacom’s CSR programme does not enhance the organization–societal relationship.

### **Methodology**

Research design provides the framework for systematically collecting, measuring, and analyzing data to address the research objectives. As Nwana (2019) explains, research design refers to the set of decisions guiding the collection and analysis of data before fieldwork begins. This study adopted a descriptive research design, which is suitable for investigating the relationship between corporate social responsibility (CSR) practices and their effects on both organizational outcomes and community development. The descriptive approach is appropriate for capturing respondents’ perceptions and experiences while also permitting the integration of secondary data to enrich contextual understanding (Saunders et al., 2019). By employing this design, the study aims to provide a balanced account of CSR’s role in enhancing the company–community relationship within the Nigerian telecommunications sector.

Both primary and secondary data served as the foundation of this study. Primary data were obtained directly from respondents through structured questionnaires, interviews, and observation methods. Questionnaires remain one of the most reliable tools for gathering standardized data and are widely used in organizational and social research due to their capacity to capture diverse respondent perspectives (Creswell & Creswell, 2018). The questionnaire consisted of 25 items, comprising both open-ended and closed-ended questions with multiple-choice options, enabling quantitative analysis and thematic interpretation. The instrument was subjected to expert review for content validity, ensuring its relevance to the study objectives. Secondary data were sourced from peer-reviewed journal articles, textbooks, reports, and other published materials on CSR practices in the telecommunications industry. This triangulation

of primary and secondary data strengthens the validity and reliability of the research findings (Sekaran & Bougie, 2020).

The population of the study comprised staff of Globacom Friendship Centre in Lagos and selected customers of Globacom Nigeria. In line with Asika (2019), the study population was defined as all elements that possess knowledge of or are affected by the phenomenon under investigation. The staff population consisted of 20 employees, while 100 customers were conveniently selected, yielding a total population of 120. Sampling is necessary where studying the entire population is impractical, and in this case, a finite population formula was used to determine an appropriate sample size. Following Okeke (1995), the chi-square method was adopted, expressed as:

$$n = \frac{Z^2 \cdot p \cdot q \cdot N}{e^2(N - 1) + Z^2 \cdot p \cdot q} \quad (1)$$

where  $n$  represents the sample size,  $N$  is the population (120),  $Z$  is the standard normal deviate at 95% confidence level (1.96),  $p$  is the estimated proportion of the population (0.5),  $q = 1 - p$ , and  $e$  is the level of precision (0.05). This formula ensured that the selected sample size was statistically representative of the study population. Convenience sampling was further employed in selecting customers due to accessibility and cost-effectiveness, which is common in exploratory CSR research (Etikan & Bala, 2017).

The data analysis plan integrated both descriptive and inferential statistical techniques. Descriptive statistics such as mean, frequency, and percentages were applied to summarize demographic characteristics and general perceptions of respondents. To test the research hypotheses, inferential statistics were employed. In particular, chi-square tests of independence and regression models were applied to examine the relationship between CSR involvement and organizational–community outcomes. A panel regression framework was adopted to account for variations across respondents and CSR dimensions, expressed as:

$$Y_{it} = \beta_0 + \beta_1 CSR_{it} + \beta_2 COM_{it} + \epsilon_{it} \quad (2)$$

where  $Y_{it}$  represents the organizational–societal relationship outcomes,  $CSR_{it}$  denotes the corporate social responsibility initiatives,  $COM_{it}$  indicates community-level effects, and  $\epsilon_{it}$  is the error term capturing unobserved variables. The choice of regression is consistent with recent CSR studies that emphasize the need for statistical models to link firm practices with stakeholder outcomes (Raimi et al., 2022; Uduji & Okolo-Obasi, 2022). This methodological approach ensures rigorous testing of the stated hypotheses and provides robust empirical evidence on the role of CSR in enhancing the organization–societal relationship.

## **Results**

The response rate as shown in Table 1 indicates a high overall return of questionnaires (93.5%, since 86 out of 92 were returned), with staff respondents returning 18 of 20 (90%) and customers 68 of 72 (94.4%). High response rates enhance internal validity and reduce non-response bias, which is important in CSR research where perceptions matter (Raimi et al., 2022). The somewhat lower percentage of returns among staff compared to customers might reflect differential interest, availability, or trust in surveys, but both sub-groups provide sufficient data to draw reliable inferences. From the standpoint of survey methodology, as Creswell & Creswell (2018) note, rates above 70-80% are generally reliable for descriptive studies, suggesting that the following results rest on a strong empirical base.

Turning to perceptions (Table 2), more than half of respondents (52.3%) believe that CSR is necessary to enhance organizational-societal relationships, while smaller proportions think CSR is needed for image-boosting (30.2%) or productivity enhancement (17.4%). This is consistent with stakeholder theory, which posits that firms engage in CSR to cultivate legitimacy, trust, and relationships with stakeholder groups rather than simply to increase internal efficiency (Awa, HO, 2024). The relatively lower score for productivity suggests that respondents see CSR more as a social or reputational investment than a direct economic input, aligning with empirical work in Nigeria which finds that CSR's effect on financial performance is positive but mediated (Jinadu et al., 2024). In terms of effect on company and community, nearly 88% of respondents (sum of "very satisfactory," "fairly satisfactory," and "satisfactory") believe CSR involvement is at least satisfactory, indicating that many perceive real, positive outcomes from CSR programs.

Motivation for CSR (Table 2) reveals that a substantial 70% of respondents view CSR activities as voluntary, whereas fewer regard them as driven by public pressure (24%) or express no opinion (6%). This implies that in the case of Globacom, CSR is possibly internalized as a normative value rather than merely reactive, supporting theories that in emerging economies CSR shifts from legalistic or coercive origins toward being part of organizational identity (Ogbemudia et al., 2022). The beneficiary analysis shows 64% believe the community is the major beneficiary, followed by customers (23%) and government (13%), demonstrating that CSR is perceived largely as community-oriented rather than benefiting only internal stakeholders or the public sector. This aligns with empirical studies showing that in contexts with weaker public service provision, firms often fill in gaps in service (e.g., in infrastructure, health, or education) using CSR (Raimi et al., 2022).

Table 3, which examines outcomes and stakeholder engagement, demonstrates that 58% of respondents believe that community members are consulted in CSR activities, 81% agree CSR has impact in Lagos State, and that government intervenes “very often” or “quite often” in these activities (aggregate ~64%). These findings suggest that CSR is not only undertaken, but also visible, interactive, and somewhat institutionalized. From the economic perspective, consultation improves fit of CSR projects with local preferences, reducing inefficiencies and waste (Akinde, 2020). However, there remains a non-trivial minority (42%) who believe there is no community consultation, which raises risk of CSR misalignment and reduced legitimacy, consistent with stakeholder theory’s warnings about symbolic CSR when interactions are shallow. On product quality, almost half the respondents (46.5%) perceive high quality, but 41.8% say low quality and 11.6% substandard. This mixed perception may undermine CSR’s reputational gains if stakeholders interpret CSR initiatives cynically when operational quality is perceived as weak. Likewise, about 35% report disagreements between company and community, though a majority do not, suggesting occasional tensions likely arising from unmet expectations or perceived inequalities in CSR implementation.

The statistical hypothesis testing summarized in Table 4 confirms what the descriptive results suggest. For Hypothesis 1, the chi-square test rejects the null hypothesis that organizational involvement in CSR has no effect on the company and its community; thus CSR involvement is shown statistically to have a significant effect. For Hypothesis 2, the CSR programme is found to significantly enhance the organization-societal relationship. These results lend empirical support to stakeholder theory and legitimacy theory: not only do stakeholders perceive CSR positively, but those perceptions translate into significant relational and community effects. They also align with recent findings in the Nigerian telecommunications sector (Raimi et al., 2022) that CSR can drive social initiatives, entrepreneurship, and community trust when involvement is genuine and consultative.

Economically, these findings suggest several implications. First, CSR is not just a cost or charitable expenditure: it appears as a relational investment that yields returns in legitimacy, trust, reduced conflict, and potentially enhanced market positioning. These returns may be difficult to quantify monetarily but are nonetheless economically meaningful, especially in industries like telecommunications with large public exposure and infrastructure externalities. Second, the role of voluntary CSR and consultation indicates that firms which internalize CSR as strategy, rather than mere compliance, are more likely to reap positive community and relational outcomes. Third, the mixed perceptions around product quality and occasional

disagreements suggest that CSR cannot substitute for product or service deficiencies; rather, CSR works best when foundations of quality, transparency, and responsiveness are maintained.

**Table 1: Distribution and Return of Questionnaires**

Respondents	Number Distributed	Number Returned	% Returned	Not Returned	% Not Returned
Staff	20	18	21.0	2	33.0
Customers	72	68	79.0	4	67.0
Total	92	86	100.0	6	100.0

Source: *Author (2024)*

**Table 2: Perceptions of Corporate Social Responsibility (CSR)**

Dimension / Option	Number of Respondents	%
Necessity of CSR		
To boost corporate image	26	30.2
To enhance organization-societal relationship	45	52.3
To enhance productivity	15	17.4
Effect of CSR on Company and Community		
Very satisfactory	15	17.0
Fairly satisfactory	21	24.0
Satisfactory	40	47.0
Not satisfactory	10	12.0
Motivation for CSR		
Public pressure	21	24.0
Voluntary action	60	70.0
No idea	5	6.0
Beneficiaries of CSR		
Community	55	64.0
Customers	20	23.0
Government	11	13.0
Total Respondents	86	100.0

Source: *Author (2024)*

**Table 3: CSR Outcomes and Stakeholder Engagement**

Dimension / Option	Number of Respondents	%
Community Consultation on CSR		
Yes	50	58.0
No	36	42.0
CSR Impact on Lagos State		

Dimension / Option	Number of Respondents	%
Yes	70	81.0
No	16	19.0
Government Intervention in CSR		
Very often	20	23.0
Quite often	35	41.0
Often	16	19.0
Not often	15	17.0
Product Quality Assessment		
High	40	46.5
Low	36	41.8
Sub-standard	10	11.6
Company-Community Disagreements		
Yes	30	34.8
No	45	52.3
No idea	11	12.7
Total Respondents	86	100.0

Source: *Author (2024)*

**Table 4: Summary of Chi-Square Tests for Hypotheses**

Hypothesis	Test Statistic (X <sup>2</sup> )	df	Critical Value (5%)	Decision	Conclusion
H1: The organization's involvement in CSR has no effect on the company and its community.	13.44	1	3.841	Reject Ho	CSR involvement significantly affects the company and its community.
H2: Globacom's CSR programme does not enhance organization–societal relationship.	33.90	1	3.841	Reject Ho	CSR programme significantly enhances organization–societal relationship.

Source: *Author (2024)*

### **Hypotheses Evaluation**

The first hypothesis tested whether an organization's involvement in CSR has an effect on the company and its host community. The survey and chi-square result ( $X^2 = 13.44$ ,  $df = 1$ ,  $p < 0.05$ ) led to rejection of the null hypothesis and showed a statistically significant relationship between CSR involvement and outcomes for both firm and community. This aligns with stakeholder theory, which predicts that deliberate engagement with multiple stakeholder

groups produces relational returns such as legitimacy, trust, and a social licence to operate. Stakeholder scholarship emphasises that CSR is relational rather than purely philanthropic; where firms meaningfully engage stakeholders, positive social and firm-level outcomes are more likely (Freeman, Phillips, & Sisodia, 2020).

Empirical studies from the last five years provide converging evidence. Telecommunications and cross-sector CSR research in Sub-Saharan Africa and Nigeria report that CSR projects—when designed in line with local needs and implemented consistently—generate measurable social benefits (digital inclusion, skills training, entrepreneurship) and improve firm legitimacy in host communities (Raimi, Panait, Grigorescu, & Vasile, 2022; Ogbemudia et al., 2022). The finding that respondents largely view CSR involvement as at least “satisfactory” mirrors these studies’ conclusions that CSR can produce tangible community benefits and reputational payoffs for firms. These studies also stress that the magnitude of effect depends on project design and community involvement.

Institutional explanations also help interpret variation and boundary conditions. Research on CSR in developing countries shows that governance quality, institutional capacity, and accountability mechanisms mediate the extent to which CSR converts expenditure into durable development outcomes (Inekwe, Hashim, & Yahya, 2020). In contexts where public provision is weak, firms’ CSR may appear especially consequential; but absent robust transparency or participatory mechanisms, CSR risks being symbolic or captured by elites. The descriptive results in this study (e.g., substantial but incomplete consultation and some reported community disagreements) point to exactly this conditionality: CSR yields positive effects on average, but uneven consultation and occasional tensions can blunt or distort those effects.

Turning to the second hypothesis—whether Globacom’s CSR programme enhances organization–societal relationships—the chi-square result ( $X^2 = 33.90$ ,  $df = 1$ ,  $p < 0.05$ ) again led to rejection of the null hypothesis, indicating a strong, positive association between the firm’s CSR programmes and improved organization–societal relations. This outcome is consistent with legitimacy theory, which argues that firms making visible, socially relevant investments strengthen public trust and social acceptance, particularly in high-visibility industries such as telecommunications. The COVID-19 period and its aftermath also saw many firms expand CSR in ways that signalled commitment and responsibility, further consolidating firm–society ties (He & Harris, 2020).

Recent empirical studies of telecom CSR reinforce this interpretation. Research focused on telecoms and large Nigerian firms finds that CSR activities—especially those oriented to

community digital skills, scholarships, and small-enterprise support—are associated with stronger community goodwill and stakeholder loyalty (Raimi et al., 2022; Ogbemudia et al., 2022). However, these studies also caution that “external” CSR that is visible but not well integrated with local stakeholders can be perceived as impression management. A growing literature on internal versus external CSR shows the importance of consistency between what firms do for communities and what they do for core stakeholder groups, such as employees and customers, lest CSR be interpreted as symbolic (Cheah et al., 2023; Farooq, 2021). The survey finding that 70 percent view CSR as voluntary and 58 percent report community consultation suggests a generally robust relationship but also points to the need for consistency and internal coherence to sustain trust.

Methodological and inferential caveats are important when evaluating how broadly to generalise these results. First, statistical significance in a cross-sectional survey shows association rather than causal direction. While theory and prior longitudinal studies suggest CSR can drive better company–community relations, reverse causality (firms more embedded in communities being more likely to invest in CSR) and omitted variables (firm size, prior reputation, local governance quality) remain plausible. Second, the literature emphasises heterogeneity: the same CSR programme can produce divergent outcomes across communities depending on design, participation, and institutional context (Inekwe et al., 2020; Raimi et al., 2022). Accordingly, while the results are robust in rejecting the nulls, policy and managerial recommendations should be modestly framed: promote participatory, transparent CSR design; measure outcomes; and integrate CSR with operational quality to avoid perceived disconnects between charitable acts and service standards.

### **Policy Implications**

The findings of this study carry several policy implications for firms, regulators, and communities within Nigeria’s telecommunication sector. First, the demonstrated positive effect of CSR involvement on both firms and communities suggests that CSR should not be treated as discretionary philanthropy but as a strategic investment. By embedding CSR within corporate strategy, firms like Globacom can generate reputational capital, strengthen customer loyalty, and secure a social licence to operate. From an economic perspective, CSR functions as a form of relational capital that reduces transaction costs associated with conflicts, enhances trust, and fosters cooperative behaviour among stakeholders (Freeman, Phillips, & Sisodia,

2020). In environments characterised by weak institutions, this form of social capital can substitute for formal governance mechanisms, thereby sustaining firm–society equilibrium.

Second, the evidence that Globacom’s CSR programme enhances organizational–societal relationships implies that CSR can play a vital role in stabilising the socio-economic environment in which firms operate. Telecommunications is an infrastructure-intensive sector, and disruptions due to community conflict or loss of legitimacy can carry high opportunity costs. By proactively investing in community-oriented CSR—such as digital inclusion initiatives, educational support, and entrepreneurial training—firms can reduce the risk of conflict, safeguard infrastructure, and maintain service continuity. This resonates with institutional theory, which argues that firms operating in developing countries are more likely to rely on CSR as a legitimacy mechanism to offset governance and infrastructure gaps (Inekwe, Hashim, & Yahya, 2020).

Third, the strong perception of CSR as voluntary rather than externally imposed highlights an opportunity for regulators. Rather than adopting coercive or purely compliance-driven CSR mandates, Nigerian policymakers may consider incentive-based frameworks that reward firms for impactful CSR initiatives. These could include tax credits for demonstrably effective community projects, or preferential treatment in spectrum allocation for firms with high CSR impact. Such policy innovations align with findings that voluntary CSR, when supported by transparent evaluation and stakeholder involvement, produces stronger community trust and developmental outcomes compared to compliance-driven programmes (Cheah et al., 2023; Ogbemudia et al., 2022).

Fourth, CSR outcomes are not uniform, and uneven consultation or weak alignment between CSR and operational quality may blunt the effectiveness of CSR investments. For instance, survey responses indicated that while CSR is largely appreciated, product quality concerns persist, with 41.8% of respondents perceiving Globacom products as low quality. This suggests that CSR should be complemented by operational improvements to avoid perceptions of hypocrisy. From a policy standpoint, regulators such as the Nigerian Communications Commission (NCC) should establish guidelines linking CSR recognition to core service standards, ensuring that firms’ external social commitments are consistent with internal operational performance. This approach reflects the emerging literature on “internal-external CSR alignment,” which stresses that CSR credibility depends on coherence between firm promises and actual service delivery (Farooq, 2021).

Fifth, the finding that government intervention in CSR is perceived as “quite often” but not always effective highlights the need for structured public–private partnerships (PPPs). Governments should collaborate with firms to co-design CSR initiatives that align with local development priorities, particularly in areas such as digital infrastructure, education, and health services. Coordinated interventions could leverage firms’ technical capacity and governments’ regulatory reach to reduce duplication, improve efficiency, and maximise socio-economic impact. This is consistent with studies showing that CSR partnerships, when properly institutionalised, enhance policy complementarities and ensure developmental spillovers (Raimi, Panait, Grigorescu, & Vasile, 2022).

Finally, the broader policy implication is that CSR can serve as a developmental tool in Nigeria’s telecommunication sector if it is institutionalised as part of a broader national strategy for inclusive growth. Beyond firm-level gains, CSR investments in skills, digital literacy, and entrepreneurship contribute to human capital formation and innovation capacity, both of which are critical drivers of long-term productivity and economic transformation (He & Harris, 2020). By framing CSR within the broader agenda of sustainable development and digital inclusion, Nigeria can harness corporate resources to complement state efforts in addressing structural challenges.

### **Conclusion**

This study set out to examine the role of corporate social responsibility (CSR) in shaping firm–community relationships within Nigeria’s telecommunication industry, with specific reference to Globacom. The findings demonstrate that CSR activities significantly influence stakeholder perceptions, foster stronger organizational–societal ties, and contribute to firm legitimacy. The positive evaluation of Globacom’s CSR programmes highlights that, when strategically aligned with community needs, CSR serves as more than philanthropy; it becomes an embedded mechanism for sustaining trust, building reputational capital, and ensuring long-term business continuity (Freeman, Phillips, & Sisodia, 2020).

The study also established that CSR effectiveness is conditioned by both the quality of internal practices and external engagement strategies. While respondents acknowledged Globacom’s CSR efforts, concerns over product quality and service reliability revealed the need for consistency between internal operations and external commitments. This reinforces recent scholarship emphasising that CSR credibility depends on “internal–external alignment,” whereby firms’ social claims must be supported by operational excellence (Farooq, 2021).

Additionally, the perception that CSR is voluntary rather than imposed by regulation underscores the importance of firm-level agency in driving developmental impact, even in institutional environments with limited enforcement capacity (Cheah et al., 2023).

From a broader perspective, the findings contribute to the understanding of CSR in emerging economies. In contexts where weak institutions and governance gaps prevail, CSR provides a substitute for formal regulation by helping firms secure legitimacy, reduce community conflict, and contribute to socio-economic development (Inekwe, Hashim, & Yahya, 2020). Importantly, CSR in Nigeria's telecommunications sector also carries macroeconomic significance by promoting digital inclusion, human capital development, and entrepreneurial opportunities, all of which align with the Sustainable Development Goals (Raimi, Panait, Grigorescu, & Vasile, 2022).

Based on these insights, several recommendations can be made. First, telecommunication firms should institutionalise CSR as a strategic investment rather than a discretionary expenditure. CSR initiatives should be co-created with communities to ensure relevance and legitimacy. Second, firms must align CSR commitments with service delivery improvements to avoid reputational risks associated with perceived inconsistencies. Third, regulatory authorities such as the Nigerian Communications Commission (NCC) should adopt incentive-based frameworks—such as tax reliefs or recognition awards—that encourage firms to expand CSR engagement in line with national development priorities (Ogbemudia et al., 2022). Fourth, government agencies should foster structured public–private partnerships (PPPs) that integrate corporate CSR initiatives into broader social and economic development strategies. Finally, future research should explore the long-term developmental outcomes of CSR, with particular focus on its contribution to inclusive digital transformation in sub-Saharan Africa.

In conclusion, CSR remains a vital instrument for balancing corporate profitability with societal welfare in Nigeria's telecommunication sector. By embedding CSR into strategic operations, aligning it with developmental goals, and fostering collaborative frameworks, both firms and policymakers can unlock its full potential as a driver of sustainable growth and community resilience.

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