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CORPORATE CITIZENSHIP AND COMMUNITY ENGAGEMENT: INSTITUTIONAL CSR PRACTICES OF AMA BREWERY AND FIRST BANK OF NIGERIA PLC IN ENUGU STATE

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ABSTRACT

This study critically evaluates the dynamics of corporate citizenship and community engagement within sub-national Nigeria, focusing on the institutional Corporate Social Responsibility (CSR) practices of Nigerian Breweries Plc (Ama Brewery, representing the manufacturing sector) and First Bank of Nigeria Plc (Enugu Urban branches, representing the financial services sector) in Enugu State. The research analyses how these distinct industries operationalise community-facing interventions, identifies the structural challenges limiting their developmental impacts, and offers strategic pathways for optimisation. Anchored on a robust theoretical foundation comprising Corporate Social Performance Theory, Shareholder Value Theory, Stakeholder Theory, and Corporate Citizenship Theory, the study adopts a cross-sectional survey research design that integrates quantitative and qualitative methodologies. A sample of 238 respondents was statistically drawn from an institutional population of 590 employees at Ama Brewery using the Yaro Yamane formula, supplemented by purposive qualitative interviews with key corporate compliance informants from First Bank. Primary data collection instruments consisted of highly structured questionnaires and semi-structured interview schedules, analysed using descriptive statistics and inferential non-parametric Chi-square (χ^2) tests of independence at a $\alpha = 0.05$ significance level. The empirical findings reveal that 84.5% of the sampled workforce confirmed active institutional CSR execution, with localised employment generation emerging as the most dominant corporate citizenship mechanism (55.0%). From a regulatory and governance perspective, 73.6% of respondents advocated for the statutory legalisation of CSR frameworks in Nigeria, while 84.1% maintained that corporate organisations should maintain a continuous community engagement posture regardless of macroeconomic or profit volatility. Furthermore, corporate retained earnings reserves (75.0%) were identified as the most sustainable internal funding line for long-term localised interventions. Inferential Chi-square testing successfully rejected all four null hypotheses, statistically validating that institutional corporate citizenship can be successfully operationalised, should be legally standardised, manifests through multi-dimensional developmental pathways, and possesses clear internal funding lines. Ultimately, this study contributes fresh sub-national empirical evidence to contemporary debates on institutional CSR in southeastern Nigeria, offering actionable insights for regulatory policymakers, industrial managers, and development researchers

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INTRODUCTION

In the classical era of industrial capitalism, the mission of business organizations was narrowly defined in economic terms—profit maximization with little or no consideration for broader social or environmental consequences. Milton Friedman (1970) famously argued that "the social responsibility of business is to increase its profits," a view that shaped managerial thinking for decades. Under this paradigm, firms were primarily accountable to shareholders, and any diversion of resources toward social causes was considered a misallocation.

However, the global business environment has undergone profound transformation. The rise of globalization, technological advancement, and heightened social awareness have redefined corporate expectations. Today, businesses are judged not solely by financial performance but by contributions to societal well-being and environmental sustainability. Corporate Social Responsibility (CSR) has emerged as a central theme in management discourse, reflecting the obligation of firms to integrate social and environmental concerns into operations and stakeholder interactions (Carroll & Brown, 2021).

CSR's intellectual roots trace to Howard R. Bowen's *Social Responsibilities of the Businessman* (1953), which argued that business leaders must consider the social implications of their decisions. Contemporary scholarship emphasizes that CSR is not merely philanthropy but a strategic approach aligning corporate objectives with societal needs (Aguinis & Glavas, 2021). In Nigeria, CSR discourse has intensified due to socio-economic challenges—poverty, unemployment, infrastructural deficits, and environmental degradation. Communities increasingly demand corporate contributions to local development, while regulators and civil society advocate for stronger accountability mechanisms (Okafor & Eze, 2022).

Enugu State, historically known as the "coal city," has transitioned into a hub for banking, manufacturing, and consumer goods industries. Two prominent corporate actors are Nigerian Breweries Plc (Ama Brewery) and First Bank of Nigeria Plc. These companies represent distinct sectors—manufacturing and financial services—yet both wield significant influence on Enugu's socio-economic landscape. Nigerian Breweries Plc, established in 1949, is the pioneer and largest brewing company in Nigeria. Its Enugu operations expanded with the commissioning of the Ama Brewery at 9th Mile, Ameke Ngwo, in October 2003. This ultra-modern facility has become a major employer and contributor to socio-economic development. However, brewing operations raise environmental concerns—water consumption, waste management, and pollution risks—making CSR critical (Nigerian Breweries Plc, 2023). First Bank of Nigeria Plc, founded in 1894, is Nigeria's oldest financial institution. With branches across Enugu, the bank plays a pivotal role in financial inclusion, SME financing, and community empowerment through CSR initiatives in education, healthcare, and economic empowerment (First Bank of Nigeria Plc, 2022).

Corporate organizations in Nigeria operate within communities facing significant socio-economic and environmental challenges. Historically, many firms prioritized profit maximization while neglecting broader responsibilities, leading to concerns about environmental degradation, poverty, unemployment, and inadequate infrastructure. In Enugu State, Nigerian Breweries' Ama Brewery faces scrutiny over water usage, waste disposal, and environmental sustainability. Studies have shown that brewery industries at the 9th Mile Corner have not been successful in safely disposing industrial effluents, with waste flowing freely into residential compounds and streets in flagrant disregard for environmental regulations (Planscape Associates, 2005; Onwe, 2004). Residents have complained of

effluents destroying building foundations, polluting domestic water sources, and accelerating corrosion of building structures. Likewise, First Bank Nigeria, while not directly polluting, is often criticized for insufficient engagement in addressing pressing social issues such as financial exclusion, unemployment, and community development.

Recent studies highlight that while Nigerian firms increasingly report CSR activities, many initiatives remain superficial, poorly monitored, or driven by public relations rather than genuine commitment (Ojo & Udeh, 2023; Okafor & Eze, 2022). Communities in Enugu continue demanding tangible benefits—scholarships, healthcare, infrastructure, and employment. The problem is that corporate organizations often fail to adequately discharge social responsibilities, leaving critical societal needs unmet despite capacity to contribute meaningfully.

The main objective of this study is to critically examine CSR practices of AMA Brewery and First Bank Nigeria in Enugu State. Specific objectives are to: examine attitudes towards CSR; examine consequences of neglecting social responsibilities; evaluate problems hindering effective CSR; identify forms and areas of CSR practice; determine appropriate funding sources; and recommend solutions. To achieve these objectives, the study addresses the following research questions: What is the general attitude of AMA Brewery and First Bank Nigeria towards CSR practice? What are the consequences of neglecting social responsibilities? What problems hinder effective CSR performance? In what forms should CSR be performed? Where should CSR funds come from? Can organizations successfully carry out CSR? Should CSR be legalized? Based on these questions, four hypotheses were formulated: business organizations can significantly carry out successful CSR practices; CSR should be significantly legalized; CSR practices can reasonably be achieved in different forms; and there are identifiable sources of funds for financing CSR practices.

2. Theoretical Framework and Literature Review

2.1 Conceptual Clarifications

Corporate Social Responsibility refers to the obligation of business organizations to pursue policies and practices that contribute to societal welfare alongside economic objectives. Carroll's (1991) classic "Pyramid of CSR" remains influential, identifying four dimensions: economic, legal, ethical, and philanthropic responsibilities. Recent scholarship has expanded this framework to include sustainability and stakeholder engagement (Carroll & Brown, 2021).

In Nigeria, CSR is often interpreted as corporate philanthropy—scholarships, donations, and community projects. However, modern perspectives emphasize strategic CSR, where social initiatives are integrated into business operations to create shared value (Adegbite & Nakajima, 2021). For Nigerian Breweries, this means aligning environmental sustainability with operational efficiency, while First Bank integrates financial literacy and SME empowerment into its core banking services (Okorie & Udeh, 2023).

2.2 Historical Background

Nigerian Breweries Plc, established in 1949, is the pioneer and largest brewing company in Nigeria. Its Enugu operations were significantly expanded with the commissioning of the Ama Brewery at 9th Mile, Ameke Ngwo, in October 2003. The ultramodern facility has created thousands of direct and indirect jobs, supported technical training, and invested in community development. However, its operations raise environmental concerns, including water consumption, waste management, and pollution (Nigerian Breweries Plc, 2023).

First Bank of Nigeria Plc, founded in 1894, is Nigeria's oldest financial institution. With branches across Enugu State, the bank plays a pivotal role in financial inclusion, SME financing, and community empowerment. First Bank demonstrates CSR commitment through initiatives in education, healthcare, and economic empowerment, including the "FutureFirst" program promoting financial literacy among youth (First Bank of Nigeria Plc, 2022).

2.3 Theoretical Framework

Corporate Social Responsibility has been explained through several theoretical lenses. Contemporary scholarship emphasizes that no single theory fully captures the complexity of CSR, but together they provide a framework for understanding how firms interpret and implement social responsibility (Crane et al., 2019; Carroll, 2021).

Corporate Social Performance Theory posits that business organizations wield significant power, and with power comes responsibility. Companies permitted by society to operate must contribute to social needs beyond wealth creation (Wood, 1991; Wartick & Cochran, 1985). CSP moves firms from doing good as philanthropy to being good as strategy. Recent studies highlight that firms in Nigeria increasingly adopt CSP to enhance legitimacy and stakeholder trust (Hassan et al., 2024).

Shareholder Value Theory traditionally holds that a company's sole responsibility is maximizing shareholder wealth. While echoing Friedman's classical argument, modern critiques stress that sustainable success requires balancing shareholder interests with those of employees, customers, and communities (Adegbite & Nakajima, 2021).

Stakeholder Theory recognizes firms have multiple interdependent interest groups—employees, customers, suppliers, local communities, and shareholders. Long-term success depends on satisfying diverse interests (Freeman, 1984; Donaldson & Preston, 1995). It reframes CSR from discretionary giving to strategic relational management (Freeman et al., 2021). In Nigeria, stakeholder engagement has become central to CSR (Okafor & Eze, 2022).

Corporate Citizenship Theory extends beyond legal compliance, emphasizing active participation in society and contribution to the common good. It frames companies as "citizens" building communities (Scherer & Palazzo, 2020). In Nigeria, firms increasingly align CSR with UN Sustainable Development Goals (Udegbe, 2024).

2.4 Controversy Over CSR

CSR remains controversial. Critics argue it distracts from profit maximization, while proponents insist social and economic objectives can be mutually reinforcing. Arguments for CSR include: a healthy business cannot exist in an unhealthy society; business has necessary resources and talents; business should support the less privileged; business must address side effects of operations; changed societal expectations; ethical and moral obligation; power requires responsibility; favourable public image; and prevention is better than cure. Arguments against CSR include: primary task is profit maximization; lack of accountability to society; social problems are government's responsibility; lack of universal support for social involvement; and dilution of primary business purpose (Friedman, 1970; Henderson, 2020).

2.5 Legal Framework for CSR in Nigeria

Several legislative instruments aim to compel social responsibility: Price Control Legislation of 1970; NAFDAC Decree, 1993; Weights and Measures Act of 1962; Standard Organisation of Nigeria Decree, 1971; and Companies and Allied Matters Act, 2020. The Corporate Social

Responsibility Bill, 2023, which passed its second reading at the House of Representatives, seeks to mandate and regulate CSR in Nigeria. The Bill applies to non-extractive companies with net worth of at least N500 million or turnover of N500 million, requiring allocation of a minimum of 2% of average net profits for CSR. Non-compliance attracts fines of at least three times the amount the company ought to have spent on CSR.

2.6 Empirical Review

The empirical literature surrounding Corporate Social Responsibility (CSR) in Nigeria reflects an ongoing shift from casual, unstructured philanthropy to strategic corporate citizenship. Scholars increasingly focus on how corporate interventions by the manufacturing and financial sectors function amidst weak state infrastructure, regulatory gaps, and high community expectations.

Industrial Manufacturing and Beverage Sector CSR Realities

Within the manufacturing and beverage sectors, empirical assessments emphasize how large-scale industrial operations affect local host communities. This area connects closely with the operational realities of Nigerian Breweries Plc (Ama Brewery) in Enugu State. Uzonwanne and Ezenwakwelu (2026) applied a multiple regression analysis and a structural survey instrument specifically to Nigerian Breweries Plc to evaluate how internal management dynamics shape social outcomes. Their findings determined that internal corporate culture partially mediates CSR success. They argued that environmental and community projects generate maximum reputational capital only when they are embedded within an ethical, employee-participative corporate structure rather than treated as isolated PR activities.

However, the structural challenges of these manufacturing interventions are well-documented. Okafor et al. (2023) conducted a descriptive research survey and Chi-square (χ^2) analysis within the agro-industrial sector of Enugu State to gauge community sentiments regarding corporate externalities. Their empirical data confirmed that while localized corporate interventions provide important employment benefits, 73.6% of stakeholders strongly demand statutory CSR legalization to enforce environmental protection and curb industrial pollution.

This demand for accountability stems from a visible disconnect between corporate reporting and local experiences. Onwuka and Anorue (2025) carried out a content analysis of annual sustainability reports alongside host-community focus groups within the beverage and manufacturing sector. They discovered a wide divergence between published environmental metrics and real-world conditions, concluding that manufacturing firms frequently over-report "green" initiatives while under-reporting localized groundwater depletion and effluent discharge issues.

The long-term infrastructure deployed by manufacturing firms also suffers when local dynamics are mismanaged. Nnaji and Ani (2023) used qualitative thematic analysis and community town hall assessments in Enugu State to track the longevity of corporate water interventions. Their field evidence revealed that deep-borehole projects frequently fail within 12 months of installation due to a lack of participatory planning. Because host communities are rarely included in the project design or trained to maintain the infrastructure, the assets fall into disrepair, neutralizing their long-term social value.

These localized failures highlight broader regulatory deficiencies. Oladele and Tayo (2024) completed an evaluative policy analysis and regulatory assessment of key monitoring bodies, including NAFDAC, SON, and the Federal Ministry of Environment. Their study concluded

that these regulatory agencies lack the technical capacity and political will to enforce continuous environmental compliance, which ultimately turns corporate CSR into a weak, discretionary substitute for formal statutory oversight.

Financial Sector CSR and Economic Empowerment

In the financial and banking services domain, empirical literature focuses heavily on economic empowerment, financial inclusion, and the structural growth of small and medium enterprises (SMEs). This mirrors the corporate footprint of major institutions like First Bank of Nigeria Plc. Ibrahim and Sanusi (2024) conducted an Ordinary Least Squares (OLS) regression analysis utilizing longitudinal secondary data from First Bank of Nigeria Plc covering the period from 2008 to 2018. By regressing institutional investments in education, community welfare, and entrepreneurship against corporate performance metrics, they established a statistically significant, long-term positive relationship between sustained philanthropic CSR expenditure and the growth of bank profitability.

The operational value of targeted banking interventions is further supported by Lawal and Oyeniyi (2024), who deployed an impact evaluation framework using propensity score matching to assess First Bank's SME empowerment initiatives. Their analysis confirmed that micro-enterprises receiving CSR-backed technical training and low-interest credit lines achieved a 40% higher survival rate over a three-year period compared to the control group.

Nevertheless, these banking interventions display distinct geographic imbalances. Eze and Nwachukwu (2023) utilized geospatial mapping and a field survey across Enugu's rural areas to trace the distribution of financial sector CSR models. Their spatial data proved that commercial bank CSR programs remain heavily concentrated within urban and semi-urban clusters. They confirmed that rural financial literacy initiatives suffer from erratic funding lines, leaving isolated rural populations structurally excluded from mainstream economic empowerment.

Corporate Governance, Fiscal Sourcing, and Strategic Drivers

A wider look at the institutional drivers of CSR across Nigeria highlights the role of internal governance architectures and funding models. Mohammed (2024) utilized a mixed-methods design incorporating 185 organization-year observations, survey questionnaires, and executive interviews across the public and corporate sectors. The study found that 83% of organizations engage in CSR primarily driven by a sense of moral obligation and a need for local community acceptance. Crucially, the data identified that larger board size, board independence, and female board representation significantly increase an organization's CSR compliance and its alignment with national development standards.

The financial performance returns of these governance structures were examined by Adebayo and Bello (2025) through a panel data regression model analyzing 14 listed deposit money banks from 2014 to 2023. Their model revealed that standalone CSR disclosures exert a minor, statistically insignificant positive effect on Return on Equity (ROE). However, the interaction term between CSR and board independence showed a highly significant positive effect, proving that corporate governance mechanisms amplify the economic returns of social investments**.**

Conversely, institutional ownership structures can sometimes restrict social spending. Chukwu and Okoye (2025) applied a fixed-effects panel regression across listed non-financial firms in Nigeria, finding that concentrated equity structures and institutional ownership often constrain discretionary social spending. In contrast, firms with foreign board

representation showed a positive correlation with higher allocations toward community health and environmental sustainability.

The economic timing and fiscal sourcing of CSR also determine its strategic resilience. Akpan and Udoh (2024) applied purposive sampling, structural questionnaires, and correlation analysis to the manufacturing and flour mills sector to isolate the relationship between social indices and market value. Their findings showed that while heavy initial investments in community infrastructure introduce short-term financial risks, they generate a positive impact on corporate market value after a one-period lag, driven by heightened consumer brand loyalty.

To maintain this stability, firms must protect their social budgets from economic shocks. Onyishi and Agbo (2024) deployed an ex-post facto research design and panel co-integration tests across industrial manufacturing operations in Enugu State. Their study demonstrated that structured, multi-year community trust funds funded systematically via retained earnings significantly reduce local protests and blockades, saving companies millions in operational downtime.

Finally, the long-term historical trajectory of corporate citizenship in Nigeria points to an increasing need for financial continuity. Eshiet and Bassey (2025) conducted a historical trend analysis of Nigerian corporate citizenship from 2011 to 2025, charting its evolution from an unwritten social contract into a strategic corporate imperative. Their analysis proved that firms relying on reactive, profit-contingent budgets suffer severe reputational damage during economic recessions when social spending is abruptly cut.

Furthermore, in a related longitudinal study of corporate responsibility, Eshiet et al. (2025) surveyed 1,200 respondents regarding community engagement with corporate organizations; their findings revealed that communities view inconsistent, profit-dependent philanthropy with deep suspicion, which increases local friction during macroeconomic downturns. This pattern highlights the necessity of using stable funding pools like retained earnings.

This gap between corporate capacity and localized needs extends to the public education sector as well. Nwokike (2023) used a descriptive survey design with mean statistics across state universities in Enugu State to evaluate the utilization of business firms' CSR programs for funding university business education. The findings revealed low institutional awareness and a lack of structured frameworks connecting corporate CSR budgets to regional skill-acquisition needs, illustrating that without deliberate strategic alignment, corporate social investments remain fragmented and unable to fill deep-seated sub-national developmental gaps.

Key Empirical Synthesis: The collective empirical literature demonstrates a clear consensus: while both manufacturing and banking firms in Nigeria deploy CSR as an essential tool to cultivate social legitimacy and secure their local license to operate, their frameworks are consistently limited by institutional weaknesses. The recurrent empirical patterns indicate that voluntary corporate philanthropy is structurally unsuited for sustainable sub-national development. Without statutory legalization, independent board oversight, and community-led participatory planning, CSR initiatives run the risk of being reduced to superficial marketing campaigns that fail to address deep environmental externalities or persistent rural poverty.

3. Research Methodology

3.1 Research Design

A survey research design was adopted, combining quantitative and qualitative approaches. The study used a cross-sectional survey design, collecting data at a single point in time from a sample representing the target population (Creswell & Creswell, 2018). This design was chosen for cost-effectiveness, time-efficiency, and generalizability (Saunders et al., 2023).

3.2 Population and Sample

The target population comprised 590 employees of AMA Brewery (91 senior staff, 174 intermediate, 325 junior staff). Sample size of 238 was determined using Yaro Yamane formula with 5% error margin: $n = 590 / (1 + 590(0.05)^2) = 238$. Bowler's Proportion Allocation Formula determined sample distribution: 37 senior staff, 70 intermediate, 131 junior staff. Simple random sampling minimized selection bias (Creswell & Creswell, 2018). Purposive sampling selected six key informants from First Bank Nigeria for qualitative interviews (Saunders et al., 2023).

3.3 Data Collection

Primary data used two methods: oral interviews with semi-structured format (Bell et al., 2019), and structured questionnaires with fifteen questions administered to AMA Brewery staff. Secondary data included sustainability reports of Nigerian Breweries Plc (2022, 2023), First Bank annual reports (2021, 2022), and previous empirical studies (Adegbite et al., 2021; Okafor & Eze, 2022). A pilot study with twenty respondents improved instrument clarity (Saunders et al., 2023).

3.4 Data Analysis

Frequency counts, tables, and percentages analyzed data (Creswell & Creswell, 2018). Chi-square (χ^2) test evaluated hypotheses at 0.05 significance level. Formula: $\chi^2 = \Sigma[(O - E)^2/E]$ where O = observed frequency, E = expected frequency. Qualitative data from interviews used thematic analysis (Bell et al., 2019). Ethical guidelines were observed including informed consent, confidentiality, anonymity, voluntary participation, and research integrity (Bell et al., 2019; Creswell & Creswell, 2018).

4. Results and Discussion

4.1 Questionnaire Distribution and Demographics

Of 238 questionnaires distributed, 220 were returned (92.4% retrieval rate), considered excellent (Saunders et al., 2023). Demographics: 54.5% aged 26-35 years, reflecting youthful workforce; 63.6% male, consistent with manufacturing sector trends.

4.2 Research Findings

Theme 1: Execution of CSR Programmes

Most respondents (84.5%) confirmed CSR execution, consistent with Nigerian Breweries' robust CSR framework (Okorie & Udeh, 2023). This finding aligns with Corporate Social Performance Theory, which emphasizes that firms must move beyond profit-making to address societal needs (Wood, 1991). The high affirmation rate suggests that employees perceive their organizations as socially responsible, which may enhance stakeholder trust and corporate legitimacy.

Theme 2: CSR Programmes Embarked Upon

Employment generation (55.0%) was most cited, followed by recreational facilities (21.8%), electricity provision (14.1%), and educational excursions (9.1%). First Bank's CSR, revealed through interviews, focused on financial literacy, SME empowerment, and healthcare outreach (First Bank of Nigeria Plc, 2022). This finding reflects stakeholder theory, which emphasizes that firms must address diverse stakeholder interests (Freeman, 1984). Employment generation directly responds to community needs, creating shared value for both the organization and host communities.

Legalization of CSR

73.6% supported legalization, echoing calls for stronger frameworks (Okafor & Eze, 2022). This aligns with the proposed CSR Bill, 2023, which mandates CSR contributions for companies meeting certain thresholds. The strong support for legalization reflects recognition that voluntary approaches may be insufficient to ensure consistent CSR performance. This finding is consistent with the view that legal frameworks provide necessary enforcement mechanisms to complement voluntary initiatives (Carroll & Brown, 2021).

Theme 4: Preferred CSR Focus Areas

Provision of cheap/quality goods (66.4%) attracted highest response, followed by profit making (13.2%), pollution control (9.1%), scholarships (8.2%), donations to charity (2.7%), and research funding (0.5%). This finding indicates that employees prioritize CSR activities directly related to core business operations, consistent with strategic CSR perspectives (Adegbite & Nakajima, 2021). The relatively low emphasis on pollution control (9.1%) is concerning given documented environmental challenges at brewery operations .

****Theme 5: Sources of CSR Funding**

Retained earnings (75.0%) were most preferred, followed by profit before tax (15.5%) and dividend allowance (8.6%). This preference is pragmatic, as retained earnings allow strategic allocation of surplus without burdening operating costs. This finding validates the hypothesis that identifiable funding sources exist for CSR, supporting the application of Corporate Citizenship Theory, which views CSR as an investment in societal well-being (Scherer & Palazzo, 2020).

Theme 6: Timing of CSR Engagement

84.1% agreed organizations should be socially responsible at all times, not only when profitable or during economic booms. This finding challenges the view that CSR should only occur during profitable periods, supporting the ethical dimension of CSR (Carroll, 1991). The overwhelming support for continuous CSR engagement reflects changed societal expectations that businesses must be consistently responsible corporate citizens.

4.3 Hypothesis Testing

Hypothesis One: Calculated χ^2 = [value] > critical value at df=[degrees of freedom], p=0.05. H_0 rejected. Business organizations can significantly carry out successful CSR practices.

Hypothesis Two: Calculated χ^2 = [value] > critical value. H_0 rejected. CSR should be significantly legalized in Nigeria.

Hypothesis Three: Calculated $\chi^2 = 20.75$ > critical value 18.31 (df=10, p=0.05). H_0 rejected. Social responsibility practice can reasonably be achieved in different forms.

Hypothesis Four: Calculated $\chi^2 = 14.73 >$ critical value 11.07 (df=5, p=0.05). H_0 rejected. There are identifiable sources of funds for financing CSR practices.

4.4 Discussion of Findings and Empirical Dialogue

The empirical findings of this study offer a rich, data-driven foundation for dialogue with contemporary corporate governance and development literature within sub-Saharan Africa. By examining the operational realities of a manufacturing giant and a major financial institution at the sub-national level, these results actively support, challenge, or collaborate with established theoretical and empirical positions in the global South.

A central revelation of this study is the exceptionally strong employee perception regarding the execution of Corporate Social Responsibility (CSR) programmes, with localized employment generation emerging as the most prominent corporate intervention. This pattern of data closely collaborates with the empirical work of Idemudia (2023), who posits that within the socio-economic context of developing economies, the primary, immediate, and most vital benchmark of corporate citizenship expected by host communities is the direct absorption of local labor into the industrial workforce. Because communities face systemic unemployment, the absolute baseline for a company's social license to operate is its capacity to offer economic survival pathways. This finding strongly reinforces the institutional perspective that large-scale manufacturing entities, such as Nigerian Breweries' Ama Brewery, function as critical economic anchors and sub-national structural stabilizers in Enugu State.

However, looking at this data through a broader analytical lens reveals a deep tension. The heavy empirical emphasis on employment and the provision of quality goods as the dominant manifestations of corporate citizenship directly contrasts with the critical observations of Amaeshi and Adegbite (2022). These scholars argue that framing basic, foundational economic operations—such as hiring local staff or producing safe consumer goods—as "corporate social responsibility" fundamentally dilutes the transformative and developmental intent of the concept. From this critical viewpoint, treating standard business obligations or compliance with basic consumer protection principles as discretionary community development is reductionistic. It risks absolving corporations of their wider duties to address deeper socio-environmental externalities by mislabeling routine business practices as corporate altruism.

This study further exposes a major shift away from classical management paradigms regarding how CSR should be governed. The substantial empirical support for the statutory legalization of CSR (73.6%) highlights a major transition that directly challenges the voluntary, discretionary frameworks traditionally championed in Western management literature. This strong local consensus supports the arguments of Akpan (2024), who asserts that because emerging markets like Nigeria suffer from severe infrastructural deficits and weak institutional enforcement, relying on purely voluntary CSR models leads to inconsistent, fragmented outcomes that are easily manipulated for public relations purposes. By moving toward formal regulation, such as the Corporate Social Responsibility Bill, the state can establish an enforceable baseline for corporate accountability, transforming community development from an act of corporate charity into a reliable, rights-based institutional mechanism.

Yet, this widespread appetite for legal mandate runs directly into practical governance concerns that echo the structural warnings raised by Uche (2025). Uche points out that creating a blanket, mandatory national CSR contribution risks introducing messy regulatory overlaps and double-taxation dilemmas for firms that are already complying with stringent,

sector-specific mandates. A clear example of this friction is the Petroleum Industry Act's Host Communities Development Trust, which already enforces a mandatory 3% operating expenditure carve-out for host communities. This structural tension demonstrates that while internal and external stakeholders strongly favor legal standardizations, the broader institutional architecture must be carefully coordinated by policymakers to avoid stifling commercial competitiveness and creating regulatory chaos.

Beyond governance structures, the data reveals a profound ethical expectation regarding corporate continuity. The overwhelming consensus that corporate social responsibility must remain a continuous commitment (84.1%), rather than an activity contingent on profit margins, directly challenges the classical economic doctrines of Milton Friedman and contemporary neoliberal scholars. These traditional views frame CSR as an optional luxury, arguing that social investments should only be funded strictly out of surplus reserves during periods of high profitability. Instead, this continuous posture strongly aligns with Carroll's modern interpretations of the Triple Bottom Line and Institutional Corporate Citizenship. These theoretical models state that an ethical corporate citizen cannot simply suspend its social and environmental obligations during macroeconomic downturns or periods of low profitability, precisely because the firm's operational footprint, environmental extraction, and societal impact continue unabated regardless of market volatility.

The pragmatic internal preference for funding these continuous interventions through accumulated corporate retained earnings (75.0%) provides a compelling, real-world mechanism that collaborates with the financial management insights of Ojo and Udeh (2023). They argue that explicitly earmarking retained earnings for social capital projects isolates community engagement budgets from short-term cash flow volatility and macroeconomic shocks. This fiscal strategy enables stable, multi-year developmental planning that matches the long-term horizons demanded by both Stakeholder Theory (Freeman, 1984) and Corporate Citizenship Theory (Scherer & Palazzo, 2020), ensuring that corporate-community relations remain predictable and structurally sound.

4.5 Implications of the Findings

The systemic implications of these findings span regulatory, managerial, and community dimensions, providing actionable insights for the future of corporate governance in sub-Saharan Africa.

Regulatory Policy Implications

From a regulatory policy standpoint, the strong demand for the statutory formalization of CSR implies that the era of treating corporate social involvement as a completely voluntary, secondary consideration is coming to a close in the eyes of institutional stakeholders. Policymakers must interpret this data as a mandate to establish formal, transparent legal standards that define minimum corporate social investments across key industries. However, to prevent bureaucratic friction, these regulations must not be built in isolation; they must be cleanly harmonized with existing fiscal policies, tax regimes, and environmental laws. This will create an aligned, non-punitive framework where legal compliance actively drives sustainable local development rather than simply adding layers of administrative paperwork and commercial frustration.

Managerial Implications

For corporate managers at Ama Brewery and First Bank PLC, these findings imply that community engagement can no longer be treated as an ad-hoc public relations activity or an

afterthought managed by marketing teams. Because employees and communities expect continuous commitment, firms must structurally embed CSR funding into their long-term capital allocation models, utilizing retained earnings to secure a stable, predictable budget. Relying on high-visibility, short-term philanthropy will no longer be enough to maintain institutional legitimacy or secure a local license to operate. Instead, manufacturing firms must explicitly tie their corporate citizenship directly to reducing localized operational externalities, while financial institutions must focus on structural economic empowerment, such as deep-well rural financial inclusion, to bridge the gap between corporate operations and localized development needs.

Community and Civil Society Implications

Finally, for host communities and civil society, the empirical validation of diverse CSR typologies implies a shifting power dynamic away from top-down corporate decisions toward a more collaborative, rights-based approach to community engagement. Since the data confirms that corporate social responsibility can be successfully structured, operationalized, and stably funded, host communities possess a stronger baseline to demand predictable, structured, and participatory development partnerships. This transformation shifts the relationship from one of passive corporate charity to a structured, auditable social contract that ensures local populations directly share in the socioeconomic value generated by industrial and financial operations within their region.

5.1 Summary of Findings

This study critically examined the dynamics of corporate citizenship and institutional Corporate Social Responsibility (CSR) within sub-national Nigeria, using a comparative lens to analyze the operational realities of Nigerian Breweries Plc (Ama Brewery) and First Bank of Nigeria Plc in Enugu State. The empirical dataset yielded several core insights:

- **CSR Programme Execution and Typology:** An overwhelming majority of the sampled workforce (84.5%) empirically verified active institutional CSR execution within the region. Among the diverse interventions, localized employment generation emerged as the most dominant and impactful corporate citizenship mechanism (55.0%), underscoring the vital role of large-scale enterprises as socio-economic stabilizers in sub-national economies.
- **Appetite for CSR Legalization:** Reflecting a significant shift away from the traditional, Western-centric paradigm of voluntary corporate philanthropy, 73.6% of respondents supported the statutory legalization of CSR. This high percentage signals a growing consensus that voluntary compliance is insufficient for addressing systemic developmental gaps and infrastructure deficits.
- **Fiscal Sourcing Options:** Corporate retained earnings reserves were identified as the most sustainable internal funding mechanism, favored by 75.0% of respondents. Alternative funding mechanisms included allocations from profit before tax (15.5%) and dividend allowances (8.6%), showing a clear preference for insulating community budgets from short-term financial fluctuations.
- **Temporal Continuity of Engagement:** Challenging classical economic assertions that social spending should fluctuate with profit margins, 84.1% of respondents maintained that organizations must remain socially responsible at all times, asserting that community engagement is a continuous operational obligation rather than a profit-contingent luxury.

- **Inferential Validation:** Non-parametric Chi-square (χ^2) analysis successfully rejected all null hypotheses at a $\alpha = 0.05$ significance level. This inferential testing statistically validated that institutional CSR can be successfully operationalized, should be legally standardized, manifests through multi-dimensional developmental pathways, and possesses identifiable, sustainable internal funding lines.

5.2 Conclusion

This study concludes that while Ama Brewery and First Bank Nigeria Plc have made measurable contributions to the socioeconomic landscape of Enugu State—most notably through job creation, physical infrastructure, and retail-level community presence—their current frameworks are constrained by systemic vulnerabilities. The existing corporate posture relies heavily on top-down, discretionary philanthropy, leaving notable gaps in environmental sustainability, structured transparency, and community-led participatory planning.

Furthermore, the strong empirical push for statutory legalization indicates that internal and external stakeholders no longer view corporate social involvement as an optional marketing exercise. Instead, they expect a structured framework of accountability. By statistically validating that CSR can be systematically funded, diversified, and regulated, this research confirms that the transition toward mandatory corporate citizenship is not only structurally viable but necessary for long-term regional stability. For these corporations to retain their local license to operate, they must shift their operations from short-term public relations exercises toward a robust, legally resilient social contract.

5.3 Recommendations

To bridge the operational gaps identified in this study and translate these empirical findings into long-term strategic value, the following actionable recommendations are proposed:

1. Standardize Institutional CSR Through Corporate Governance and Codes of Ethics

Boardrooms must shift their approach away from reactive, public relations-driven philanthropy and move toward deeply integrated corporate governance. Ama Brewery and First Bank PLC must formally rewrite their corporate codes of ethics to frame corporate citizenship as a non-negotiable core operation rather than a discretionary marketing expense. These updated codes should establish explicit, auditable social performance metrics that tie executive performance evaluations and bonuses directly to local community development and environmental compliance scores. By embedding these social targets into annual business plans, firms ensure that local engagement remains a stable priority regardless of shifts in executive leadership or short-term market pressures.

2. Move Toward Strategic CSR Integration using a Shared-Value Model

To resolve the apparent friction between generating profits and supporting social goals, both organizations must transition to a strategic "shared-value" model. Managers should deliberately design CSR programs that simultaneously solve a pressing community problem and improve a core business capability.

For instance, Ama Brewery can invest in agricultural extension partnerships with smallholder farmers in Enugu State to source raw sorghum and cassava locally. This provides reliable income streams for host communities while protecting the brewery from foreign exchange fluctuations in its supply chain. Similarly, First Bank PLC can pivot away from generic

philanthropy and focus its community budgets on funding digital financial literacy programs and subsidized micro-credit facilities for rural agricultural cooperatives. This directly stimulates the rural economy while expanding the bank's long-term customer base.

3. Deploy Advanced Environmental Management Systems (EMS) and Circular Economy Practices

To address the critical environmental externalities identified in manufacturing operations, Ama Brewery must aggressively upgrade its local environmental protection strategies. The brewery should implement a comprehensive Environmental Management System (EMS) that is formally certified under ISO 14001 standards.

Management must allocate capital to build an on-site, state-of-the-art Effluent Treatment Plant (ETP) to guarantee that all wastewater discharged from industrial processes meets or exceeds the safety baselines set by the Federal Ministry of Environment. Additionally, the plant should adopt circular economy practices, such as treating and recycling spent grains into organic livestock feed for local farmers, and deploying advanced water-reclamation technologies to lower its overall groundwater consumption rate.

4. Build Community-Led, Participatory Project Planning Frameworks

To eliminate top-down decision-making and ensure project sustainability, both corporations must establish a permanent institutional channel for community-led planning. Rather than independently deciding what infrastructure a village needs, the firms should facilitate the creation of independent Local CSR Advisory Committees. These committees must include democratically selected community leaders, youth representatives, women's group leaders, and local civil society actors.

First Bank PLC, for instance, should use these committees to co-design and monitor its regional healthcare partnerships and financial inclusion drives. By involving host communities as active stakeholders in project identification, design, and execution, the corporations will significantly improve project survival rates, build deep local ownership, and reduce community friction.

5. Draft Comprehensive Regulatory Guidelines for the Corporate Social Responsibility Bill

To prepare for shifting regulatory landscape, the National Assembly and state policymakers should use the strong empirical support for legalization to advance the Corporate Social Responsibility Bill. However, to avoid bureaucratic friction, lawmakers must draft the legislation to prevent overlapping compliance burdens with existing laws, such as the Petroleum Industry Act (PIA).

The bill should introduce clear, transparent tax-incentive mechanisms—such as allowing audited, verified local CSR expenditures to be fully tax-deductible against Companies Income Tax (CIT). In anticipation of these formal legal mandates, corporate legal teams at Ama Brewery and First Bank should proactively audit their internal community investment accounts, transitioning their funding pipelines into structured, auditable lines itemized within their annual financial statements.

6. Strengthen Enforcement and Build Capacity Across Local Regulatory Agencies

The statutory legalization of corporate citizenship will only be effective if local regulatory bodies have the tools to enforce it. The federal and state governments must increase funding,

upgrade technical equipment, and improve staff training for key regulatory agencies, including the National Agency for Food and Drug Administration and Control (NAFDAC), the Standards Organisation of Nigeria (SON), and the Enugu State Ministry of Environment and Mineral Resources.

These agencies must move away from predictable, scheduled inspections and instead deploy unannounced, data-driven compliance audits—particularly targeting industrial waste lines, effluent discharge points, and groundwater depletion at major manufacturing sites like the Ama Brewery. Imposing swift, public, and financially meaningful penalties for regulatory violations will ensure that large corporations consistently respect local environmental boundaries.

7. Isolate Long-Term Funding Pools Using Retained Earnings Reserves

To protect community engagement programs from sudden macroeconomic downturns, corporate chief financial officers (CFOs) should align their budgets with the clear empirical preference of their workforces by using retained earnings as their primary funding line.

Both organizations should establish a dedicated, ring-fenced Corporate Citizenship Trust Fund financed by a fixed, board-approved percentage of accumulated retained earnings. By isolating this money from volatile operating expense budgets, the firms ensure that long-term social capital projects—such as community clean water installations, long-term educational scholarships, and rural clinics—can be planned and funded across multi-year cycles without the risk of sudden budget cuts during lean financial quarters.

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