ISSN: 2456-7760

EFFECT OF CORPORATE SOCIAL RESPONSIBILITY ON PROFITABILITY OF SELECTED QUOTED BANKS IN NIGERIA

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Abstract
This study assesses the effect of corporate social responsibility on profitability of some selected banks in Nigeria. A sample of five (5) banks out of 23 quoted money deposit banks was selected for the study that covered a period of six (6) years, from 2012 to 2017., Secondary data were used for this study. Data were collected from the published financial statements of the selected bank on the amount spent on corporate social responsibilities and profit after tax of the banks selected for the period under study. Both descriptive and inferential statistics were used to analyse the data. The findings of the study revealed that the major areas where Corporate Social Responsibilities (CSR) are being carried out by the selected commercial banks in the study area include health sector, education sector and provision of social amenities/community development... It was also concluded that CSR cost has positive effect on profitability of selected banks. The study recommends that commercial banks in Nigeria should be encouraged by relevant government agencies to extend their expenditure on CSR to other key sectors of the economy such as agriculture and that expenditure on CSR by commercial banks in Nigeria should be monitored to ensure that it is being channel to the appropriate use.

Keywords: Social responsibility, Expenditure, Performance, Profitability, Banks, Corporate

1.0 INTRODUCTION

Maximization of corporate responsibility cannot be overemphasized in the operations of corporate organizations. Business exist within an environment in which they operate, therefore business organizations need to give back positively to the environment in order to participate in development of such society. Thus, corporate social responsibility is the way business organization gives back to society where they are operating. Banking sector occupies important key sector of the economy of every nation. Globally, virtually all the reports prepared by banks on annual basis present social responsibility figures, this responsibility is tailored towards achieving sustainable development. Social responsibility is obtainable by rendering selfless service to charitable organizations, government agencies, religious organizations and tertiary institutions (Odetayo, Adeyemi& Sajuyigbe, 2014).

The discourse of Corporate Social Responsibility (CSR) has presumed great importance globally and Nigeria with no exception. Support has increased in the mass media for corporate organization to take a greater responsibility for the development of society by adopting best practices in the CSR initiative. Banks commit huge amount of money in undertaking corporate social responsibility activities especially in their host communities. The purpose of such activities most times is to gainfully win deposit and customers to them. Their major reason for going into CSR activities is to bring back deposit to them from people in the society that their actions has affected positively this will at the end bring back profits and returns to them.

CSR is a crucial step towards achieving a sustainable global economy. It enhances corporate accountability, builds trust, creates transparency, drives greater innovation, improves internal management and decision-making processes, reduces compliance costs and gives competitive advantage. (Umoren, Atolagbe & Isigvwe, 2016).Firms has been put under increasing stress from a variety of stakeholders to fit in social and environmental considerations into their operations and to ensure higher standards of governance. Various research studies have been undertaken by researchers in different countries to examine corporate social responsibility disclosure practices and the relationship between corporate social responsibility and financial performance (Otu, Ogbari & Atolagbe, 2016).

Corporate Social responsibility is obtainable by rendering selfless service to charitable organizations, government agencies, religious organizations and tertiary institutions (Odetayo *et al*. 2014). Corporate social responsibility is also called corporate conscience or corporate social performance, are duties perform by organizations to the society in which they operate, such as protection of the environment, provision of social amenities, health and safety, and so on. Therefore, it is pertinent for banks to take up the obligation of social responsibility practices and communicate their strategy on how to respond to the community's demand. Social responsibility practices involve treating environmental and social issues. Therefore, it is pertinent for banks to have sound corporate strategy, in order for successful implementation of Corporate Social Responsibility principles and values, which will improve and increase organizations performance and level of returns on investment. (Osisioma, Nzewi & Paul, 2015). Banks are required to supply all stakeholders with financial and non-financial information about the magnitude of income generated which are relevant, faithfully represented and useful for making prudent, reliable, effective and efficient decisions. Banks worldwide are now focusing on how best to integrate their financial and non-financial information, particularly as businesses are undergoing unprecedented environmental and social changes. Hence, the need for every bank to disclose in their annual reports the various activities that affect the stakeholders. This practice is becoming a very fundamental issue in the world over. Umoren et al. (2016) posited an upward shift in bank expenditure on CSR has led to an increased demand for its inclusion in the financial report to measure it effect on the overall profitability of quoted banks. Conscious of this concept, ordinary citizen, potential investors, pressure groups, politicians, insurance companies and a wide range of other stakeholders are increasingly demanding banks to disclose proportion of income spent on CSR. The objectives of this study is therefore to identify the major areas where CSR are been carried out by the banks; and determine the its effect on the profitability of the selected banks during the period covered by this study.

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2.0 MATERIAL AND METHODS

2.1 The Concept of Corporate Social Responsibility

The World Business Council for Sustainable Development (WBCSD) defined CSR as “the commitment of business to contribute to sustainable, economic development, working with employees, their families and the local communities and society at large to improve their quality of life According to Odetayo, *et al.* (2014) corporate social responsibility means organisation responding positively to emerging societal imports and expectations. Conducting business in an ethical way and in the interests of external environment. Balancing the shareholders’ interests with the interests of other stakeholders in the society. The idea of CSR implies how organization can manages its business activities to produce an overall positive impact on society. It also means how organisation behaves ethically and contributes to economic development of society by improving the quality of life of the local community and society at large. The CSR are set of standards that company subscribes to in order to make positive impact on society.

2.2 Concept of Profitability

Profitability means ability to make profit from all the business activities of an organization, company, firm, or an enterprise. It shows how efficiently the management can make profit by using all the available resources. According to Harvard and Upton (2012), profitability is the ability of a given investment to earn a return from its use.” However, the term ‘Profitability’ is not synonymous to the term ‘Efficiency’. Profitability is an index of efficiency; and is regarded as a measure of efficiency and management guide to greater efficiency. Though, profitability is an important yardstick for measuring the efficiency.

The broad framework used to categorize CSR initiatives includes actions under the domains of employee relations and diversity programs, ethical materials sourcing, product design, marketing programs, the environment, human rights, and corporate governance”. Profitability refers to the capacity of firm to generate profit. According to definition by Peavier (2012), profitability is one of the organizational performance indicators which reveals the return on sales and return on investments. They say customers are always right. When customers are well managed and given the right attention, the organization’s revenue increases. Without customers, no organization exists. This fact is obvious and must be well handled for banks to keep functioning. Profitability refers to the capacity of firm to generate profit.

. According to Hermenson, Edward and Salmonson (2013), ‘profitability is the relationship of income to some balance sheet measure which indicates the relative ability to earn income on assets employed. Harward *et al.* (2012) Business is conducted primarily to earn profits. The amount of profit earned measures the efficiency of a business.

2.3 Theoretical Review

In this study, Stakeholders theory and Social contract theory were review, however the study is based majoly on stakeholders theory

Stakeholder Theory

Stakeholders are any group or individual who can affect, or is affected by, the achievement of a corporation's purpose. According to Freeman (1984), the focus of stakeholder theory (ST) is captured in two main questions. What is the purpose of the firm"? This question encourages managers to articulate the shared sense of the value they create, and what brings its core stakeholders. This propels the firm forward and allows it to generate outstanding performance, determined both in terms of its purpose and marketplace financial metrics.

Stakeholder theory stated that business organization must play an active social role in the society in which it operates. Amole (2012) asserts that managers must satisfy a variety of constituents e.g. investors and shareholders, Employees, customers, suppliers, public and local community organization who can influence firm outcome. A fundamental characteristic of stakeholder theory is attempt to identify individuals and group that states organization and companies are accountable to, but that has also been part of the theory challenge the interaction between the banks and its stakeholders is the essence of stakeholders theory it emphasized that interest of all the stakeholders in a firm must be recognized and not just shareholders as this tends to improve their well-being.

Stakeholder theory defines the relationship of an organization with its stakeholders which comprise the employees, suppliers, customers, host communities and so on. Ojo (2012) stated that the theory focuses on the need for banks to actively practice corporate social responsibilities since they depend on the society to exist and carry on their businesses profitably. Ferreira, Branco and Moreira (2012) affirmed that "Stakeholder theory postulates a positive relationship between economic performance and the level of decision by a company to engage in CSR reporting and therefore profitable firms are more likely to disclose more information in order to screen themselves from less profitable firms". The Stakeholder theory is both a managerial and an ethical theory, which tends to explain the diverse relationship between the organization and its several stakeholders; achieving the profit maximization, stakeholders' benefits and expectations at the same time.

Social contract theory

Social benefit theory promotes banks contribution towards the well-being of the host communities. Businesses do not operate in a vacuum. Therefore, CSR demands that all stakeholders should be taken care of. Banks are to consider the well-being of the host communities and to provide CSR that could benefit all interest groups in the society. According to Weiss (2008) a social contract' is a set of rules and assumptions about behavioural patterns among the various elements of society'. This theory combines organizational attention with stakeholder management. Weiss further argued that firms can succeed only by formulating contracts with the customers and public. He further stated, that a social contract can be considered actioned in an ethical manner

This study is based on the stakeholders' theory. Managers should articulate the shared sense of the value they create, and what brings its core stakeholders.. Effective management of stakeholder relationships helps businesses survive and thrive in capitalist systems, it is also a moral endeavor because it concerns questions of values, choice, and potential harms and benefits for a large group of groups and individuals

2.4 Empirical Review

Generally, it is believed that corporate social responsibility (CSR) could increase company profits and thus, most large companies are actively engaged in it. It is understood that CSR can promote respect for their company in the marketplace which can result in higher sales, enhance employee loyalty and attract better personnel to the firm. Also, CSR activities focusing on sustainability issues may lower costs and improve efficiencies as well. This may enhance the company's stock price, making executives‟ stock and stock options more profitable and shareholders happier (Robins, 2011). Several researchers have carried studies on CRS in different ways, meanwhile their findings do not really correspond with each other, among the studies are:

Amachi (2018) examined the corporate performance (CP) of selected deposit money banks (DMBs) in relation to corporate social responsibility (CSR) practice. Philanthropic responsibilities was used as the sole dimension of CSR, while market share (MS) and liquidity were used as the measures of CP. Using data from the annual reports of five topmost DMBs in Nigeria (FBN, Zenith Bank, GT bank, UBA and Access bank), using regression technique for data analysis, it was found that there is positive and significant association between CSR and MS; and that there is no significant association between CSR and Liquidity. Based on this, it was concluded that banks in Nigeria can improve their market share through improved CSR practices; while liquidity cannot be improved by CSR. The study recommended that CSR practices be fully incorporated into the Nigerian banking sector, with regulatory bodies empowered to ensure conformity to extant rules and standards; Banks should view CSR as a means of achieving some corporate objectives; They should liaise with relevant stakeholder groups to develop and execute desired/needed CSR programmes that directly impact on the people; concerted effort should be made by banks to guard against illiquidity due to too much expenses on CSR programmes.

Babalola(2012) examined the relationship between corporate social responsibility and firms‟profitability in Nigeria with the use of secondary data, sourced from ten (10) randomly selected firms‟ annual report and financial summary between “1999-2008”. The study makes use of ordinary least square for the analysis of collected data. Findings from the analysis show that the sample firms invested less than ten percent of their annual profit to social responsibility. The co-efficient of determination of the result obtained shows that the explanatory variable account for changes or variations in selected firms performance (PAT) are caused by changes in corporate social responsibility (CSR) in Nigeria while recommends that laws and regulations to obligate firms to give, adequate attention should be given to social accounting in terms of social costs and to comply with social responsibility should be enacted.

Tlakasiri (2012) examines this relationship between CSR and company performance: evidence from Sri Lanka. In developing a CSR framework, the researcher made use of the iterative Delphi method, in the first round interviewing and in the second surveying expert and knowledgeable people about CSR practices. The survey was developed to confirm and refine the important identification information from the interview data. These qualitative data were then analysed using a content analysis research technique, which identified 28 activities for the potential CSR framework. Panel data regression model was used to estimate data that were extracted.

Kipruto (2014) carried out study on the effect of corporate social responsibility on financial performance of commercial banks in Kenya. The study made use of data that was obtained from commercial banks audited financial statements, websites, publications and annual reports. Secondary data from the year 2009 to 2013 was used for analysis. Using descriptive research design, the study tested for linear relationship between financial performance and corporate social responsibility. The study used multiple regression analysis and the five years secondary data to analyze the effect of corporate social involvement on financial performance. Financial performance was the dependent variable while corporate social responsibility and investments were the independent variables in the multilinear regression. The study revealed that not all commercial banks report their CSR involvement. Out of the 44 commercial banks studied, only eight provided the necessary and complete data that was appropriate for the study. The study findings were that expenses on social course have an effect on financial performance of commercial banks in Kenya.

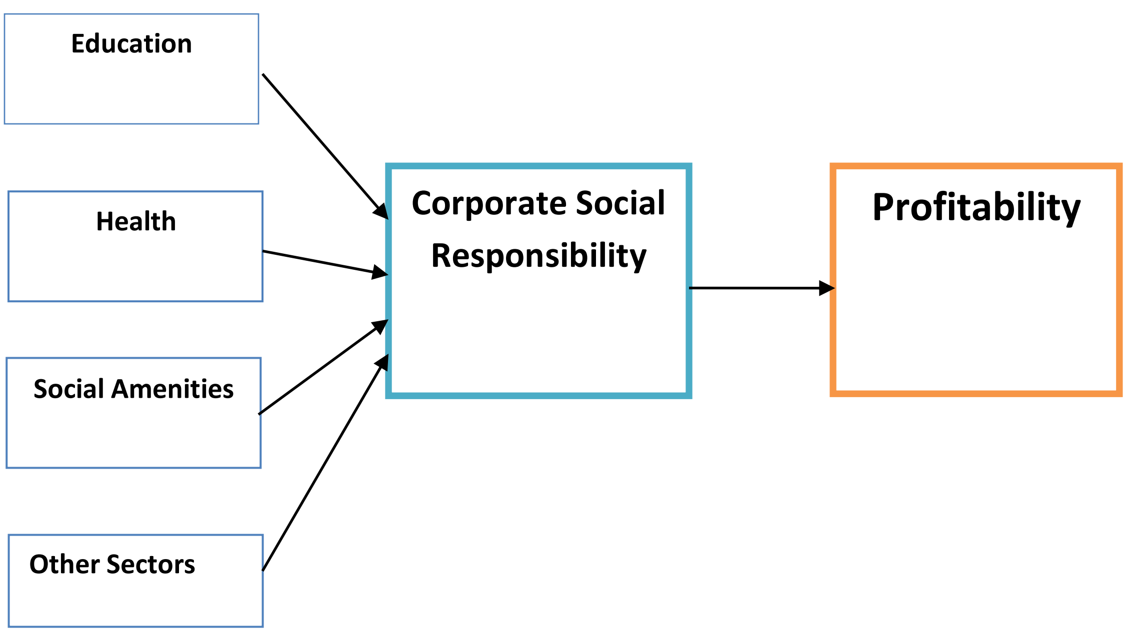
Umoren, Otu, and Atolagbe, (2016) study investigated the Corporate Social Responsibility (CSR) disclosure practices of Nigerian quoted companies and their determinants. A checklist of 20 attributes was developed to capture the social and environmental disclosures from the annual reports of 45 companies from 8 sectors quoted on the Nigerian Stock Exchange over a two-year period (2013 to 2014). The determinants of disclosure were proxied by company size, profitability and auditor type. Company size was measured by total assets, profitability was measured by return on equity (ROE), and auditor type was measured by a dummy variable, '1' for Big 4 and '0' for otherwise. The data obtained were analysed using descriptive statistics, correlation and regression. The findings revealed that, the level of CSR was 44%, made up of social disclosure (68%) and environmental disclosure (6%). Findings also revealed that CSR was influenced by company size and auditor type; but not by profitability. This paper recommends a mandatory CSR reporting framework in line with international best practice for all listed companies in Nigeria.

Akinleye and Adedayo (2017) observed from their study which examined the corporate social responsibility practice in the Nigerian Banking Sector. It also reviews the main component of corporate social responsibility and unfold it benefits to corporate body. The study is descriptive in nature. The result therefore shows that social responsibility is a by-product of profitability. Thus, CSR is about the organisation striving towards profit maximization while still obeying the laws, being ethical, and being a socially responsible and a responsive corporate citizen. Banks must therefore get their priorities right by incorporating the normative pattern and values of society into their mission and operational objectives and should help to solve social problems such as unemployment, inadequate social amenities, inequality etc. These are what can dramatically change the general perception of the public about banks and stimulate growth in the industry and the economy and they are certainly not far-fetched.

Mukhtar (2017) conducted a study is to examine the effect of CSR dimensions on corporate financial performance (CFP) of commercial banks in emerging economies, namely Turkey and Nigeria. Content analysis is conducted to extract financial and CSR disclosure information from annual reports and CSR related reports of banks listed on the Borsa Istanbul (BIST) and the Nigerian Stock Exchange (NSE). Panel data multiple linear regression analysis is performed to analyze the relationship between CSR and CFP. The findings, in line with the stakeholder theory, indicate that CSR has a positive impact on CFP in Nigeria. However, there is no statistically significant relationship between CSR and CFP in Turkey. The results also reveal a significant relationship between bank size and CFP in Turkey. This study adds to the growing body of knowledge on CSR, especially as it relates to emerging economies, and provide some insights into commercial banks operating in Turkey and Nigeria.

2.5 Conceptual Framework

In this study the dependent variable is banks profitability while the independent variable is corporate social responsibility. The variables and their relationship are shown in the Figure below:



Figure! : Authors' concept

2.6 Research Methods.

The study made use of secondary source of data, therefore, financial statements of selected banks, quoted on the floor of Nigeria Stock Exchange Market as at 30th March, 2018 were used for the study. A sample of five (5) banks was selected for the study and the study covered a period of six (6) years, from 2012 to 2017. The data collected was subjected to statistical analysis using percentages, mean and regression analysis.

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Being a study on the banking industry, cost model was adopted which are to premised effect of CSR on profitability of selected quoted banks. Therefore, the model specification are as follows:

$Y = \beta_0 + \beta_i X_i + \varepsilon$…………………………………………………………………….. (2)

Where,

Y = the dependent variable (expenditures on Corporate Social Responsibilities (CSR)

β_0 = Constant

X_i = the matrix of independent/explanatory variables,

β_i = the regression coefficients,

ε = the error term.

Therefore, the functions below represented the relationship.

$PAT= \beta_0+ \beta_1 HE + \beta_2 ED + \beta_3 SE + \beta_4 OS + \varepsilon$ …………………………………………… (3)

PAT = Profit After Tax

HE = Health

ED = Education

SA = Social Amenities

OS = Other Sector

ε = Error term

3.0 Results and Discussion

3.1 Major Areas where CSR are been carried Out by the Banks

Table 1 shows the major areas where Corporate Social Responsibilities (CSR) are being carried out by the selected commercial banks in Nigeria. It was revealed that all the selected banks (namely: Zenith Bank, Guarantee Trust Bank (GTBank), Access Bank, WEMA Bank and First Bank) made contributions to health sector, education sector and provision of social amenities/community development and other sectors as part of their Corporate Social Responsibilities except WEMA Bank which did not contribute to other sectors of CSR during the period covered by the study.

Table 1: Major Areas where CSR are been carried Out by the Banks

CSR	Zenith Bank	GTBank	Access Bank	WEMA Bank	First Bank
Health	Yes	Yes	Yes	Yes	Yes
Education	Yes	Yes	Yes	Yes	Yes
Social amenities and community development	Yes	Yes	Yes	Yes	Yes
Others	Yes	Yes	Yes	No	Yes

Source: Authors Report (2019)

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3.2 Proportion of Income Generated Spent on CSR by Selected Banks

Table 2 presents the proportions of income of the selected commercial banks generated and spent on CSR between 2012 and 2017. It was revealed that the average proportion spent for the six years periof\d covered by the study is 0.43%, 0.52%, 0.69% 2.21 % and 3.38% for Zenith, GTB, Access, Wema and First banks respectively. The First bank has the highest proportion, this was only as a result of 13.6% of income generated expended on CRS in 2017. It was only GTB that maintains fairly stable proportion of income spent on CSR

Also, the findings of this study agreed with the report of Abiola (2014) in his study on corporate social responsibility (CSR) in Nigeria banking industry with emphasis on their CSR initiatives, endeavours and expenditures. The results revealed that averagely banks sampled spend less than 3% of their profit after tax on CSR initiatives. The results revealed that most of the banks CRS is based on financial/economic, social, community health and environment.

3.3. Trend of Proportion of Income Spent on CSR by Selected Banks

Figure 2 shows the trend of proportion of income spent on CSR by the selected commercial banks between 2012 and 2017. It was revealed that First bank recorded the all time lowest and highest value in the year 2016 and 2017 respectively. This reason for the very high value in 2017 might be as s result of trying to compensate for the very low value contribution to CSR in the preceding year. Meanwhile, there is a noticeable downward trend of expenditure on CSR between 2013 and 2016 for the bank. The pattern of expenditure on CSR for Access bank and Zenith bank was observed to follow similar pattern, however, WEMA bank's expenditure on CSR recorded an all time highest value in year 2014 and all time lowest in year 2016. Except for GTBank that maintained a fairly consistent pattern of expenditure on CSR during the period under review, all the other banks recorded an irregular pattern. Also, all the banks recorded a decline in their expenditure on CSR in the year 2016. This suggests the possibility of a policy factor being responsible for this.

Table 2: Proportion of Income Generated Spent on CSR by Selected Banks

Year	Proportion of profit spent on CSR				
	Zenith Bank %	**GT Bank %**	**Access Bank %**	**WEMA Bank %**	**First Bank %**
2012	0.61	0.40	0.48	(-0.37)	1.50
2013	1.03	0.74	1.49	2.40	2.10
2014	0.001	0.64	0.10	4.74	1.51
2015	0.93	0.42	0.59	1.39	1.2
2016	0.002	0.35	0.45	0.17	0.38
2017	0.0015	0.54	1.01	2.33	13.60
Average	**0.43**	**0.52**	**0.69**	**2.21**	**3.38**

Source: Authors Compilation (2019

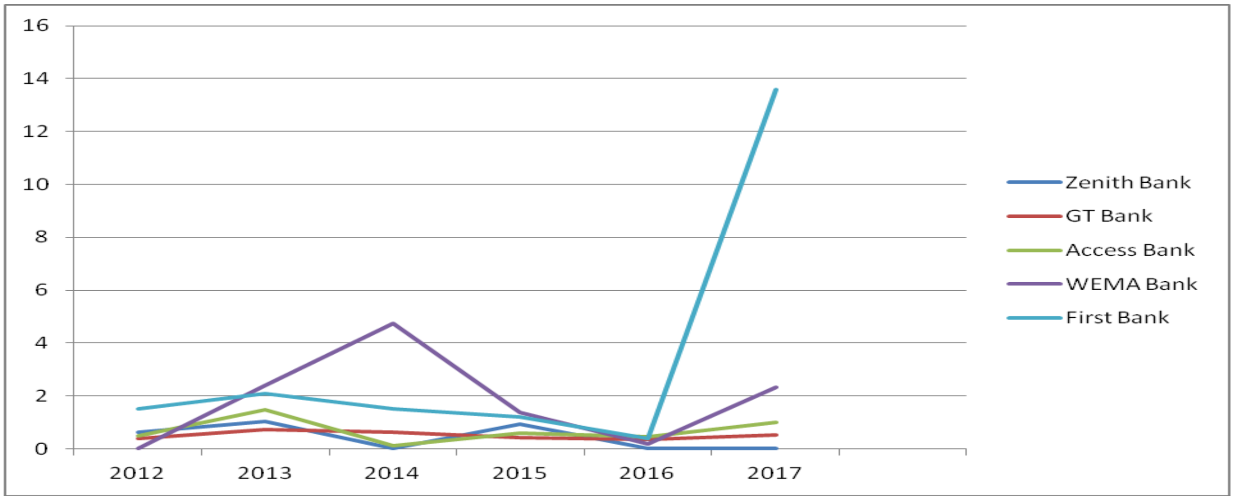

Figure 2: Trend of Proportion of Income Spent on CSR by Selected Banks

Source: Authors Report (2019)

3.4 Relationship between Expenditure on CSR and Profitability of the Selected Banks

Table 3 shows the relationship between the expenditures on CSR and profitability of the selected commercial banks in the study area. With a positive and significant correlation coefficient at 0.05 level of significance, it was revealed that a significant relationship exists between the profit of Zenith bank and her expenditure on CSR (r = 0.843; p = 0.035) between 2012 and 2017. It can be inferred that increase in the profit of zenith bank leads to an increase of 84.3% in the expenditure on CSR by Zenith bank between 2012 and 2017. This can be corroborated by the earlier finding of the study that Zenith bank made the largest contribution (45% of total contributions of all selected banks) to CSR between 2012 and 2017.

Although not significant, it was further revealed that the correlation coefficient between the profit of GTBank and her expenditure on CSR was (r) = 0.407. This indicated that increase in the profit of GTBank leads to an increase of 49.7% in the expenditure on CSR by GTbank between 2012 and 2017. For Access bank, it was revealed that the correlation coefficient between the profit of the bank and her expenditure on CSR was (r) = 0.642. This indicated that increase in the profit of Access Bank leads to an increase of 64.2% in the expenditure on CSR by Access bank between 2012 and 2017.WEMA bank recorded a correlation coefficientof (r) =0.223between the profit of the bank and her expenditure on CSR. This indicated that increase in the profit of WEMA Bank leads to an increase of 22.3% in the expenditure on CSR by WEMA bank between 2012 and 2017. However, First bank recorded a correlation coefficient of (r) = 0.303between the profit of the bank and her expenditure on CSR. This indicated that increase in the profit of First Bank leads to an increase of 30.3% in the expenditure on CSR by First bank between 2012 and 2017. This is in consonance with the findings of Peavier (2012) that profitability significantly affects commercial bank's expenditure on CSR and that profitability is one of the organizational performance indicators which reveal the return on sales and return on investments. Moreover, Robins, (2011) reported that CSR could increase company profits and thus, most large companies are actively engaged in it. It is understood that CSR can promote respect for their company in the marketplace which can result in higher sales, enhance employee loyalty and

ISSN: 2456-7760

attract better personnel to the firm. Also, CSR activities focusing on sustainability issues may lower costs and improve efficiencies as well. This may enhance the company's stock price, making executives stock and stock options more profitable and shareholders happier.

Table 3: Relationship between Expenditure on CSR and Profitability of the Selected Banks

Correlations

		Zenith Bank Expenditure on CRS	**GTBank Expenditure on CSR**	**Access Bank Expenditure on CSR**	**WEMA Bank Expenditure on CSR**	**First Bank Expenditure on CSR**
Zenith bank profit	Pearson Correlation	**0.843***	0.348	0.754	-0.458	-0.007
	Sig. (2-tailed)	**0.035**	0.499	0.083	0.361	0.989
	N	**6**	6	6	6	6
GTBank Profit	Pearson Correlation	0.916*	**0.407**	0.714	-0.361	-0.044
	Sig. (2-tailed)	0.010	**0.423**	0.111	0.482	0.934
	N	6	**6**	6	6	6
Access Bank profit	Pearson Correlation	0.676	-0.187	**0.642**	-0.750	-0.771
	Sig. (2-tailed)	0.140	0.722	**0.169**	0.086	0.072
	N	6	6	**6**	6	6
WEMA Bank profit	Pearson Correlation	0.517	0.511	0.372	**0.223**	-0.217
	Sig. (2-tailed)	0.293	0.301	0.468	**0.671**	0.680
	N	6	6	6	**6**	6
First Bank profit	Pearson Correlation	-0.355	0.068	-0.501	0.303	**0.303**
	Sig. (2-tailed)	0.490	0.898	0.311	0.560	**0.560**
	N	6	6	6	6	**6**

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).
N = number of Banks.

Source: compilation (2019)

Table 4 presents the result of multiple linear regression analysis. It was revealed that the income generated by Zenith bank had a positive significant influence (p = 0.034986) on the expenditure on CSR in the study area. This implied that increase in the profit after tax made by Zenith bank will lead to a significant increase in the bank's expenditure on CSR. The coefficient of multiple determination (R^2 = 0.638) indicated that the profit after tax alone accounted for 63.8% of the variation the bank's expenditure on CSR. It was further revealed that the profit after tax does not have significant influence on the expenditure on CSR for GTBank (p = 0.423083), Access bank (p = 0.168868), WEMA bank (p = 0.670648) and First bank (p = 0.559623).It can therefore be concluded that the income generated by Zenith bankhave significant influence on the bank's expenditure on CSR, while the income generated by GTBank, Access bank, WEMA bank and First bank does not have significant influence on expenditure on CSR.

This finding suggests that commercial bank's profit has a significant relationship with expenditures on CSR, according to the findings of Babalola (2012). This findings also agreed with the findings of Odetayo, Adeyemi and Sajuyigbe (2014), who reported that Nigerian banks recognized the importance of corporate social responsibility for sustainable development and they are performing their obligation to the society. But little amount were spent on social responsibility, if compared with profit generated by the banks.

Table 4

Zenith Bank					***Regression Statistics***	
Parameter	*Coefficients*	*Standard Error*	*t Stat*	*P-value*	R Square	0.710854
Intercept	-1.5E+09	9.66E+08	-1.5904	0.186953	Adjusted R Square	0.638568
Profit after tax	0.027355**	0.008723	3.135899	0.034986	Standard Error	5.23E+08
GTBank					***Regression Statistics***	
Parameter	*Coefficients*	*Standard Error*	*t Stat*	*P-value*	R Square	0.165731
Intercept	2.47E+08	4.05E+08	0.610272	0.574652	Adjusted R Square	-0.04284
Profit after tax	0.003248	0.003643	0.891414	0.423083	Standard Error	2.47E+08
Access Bank					***Regression Statistics***	
Parameter	*Coefficients*	*Standard Error*	*t Stat*	*P-value*	R Square	0.4128
Intercept	-9E+07	2.35E+08	-0.3833	0.720997	Adjusted R Square	0.266
Profit after tax	0.008165	0.004869	1.676898	0.168868	Standard Error	1.59E+08
WEMA Bank					***Regression Statistics***	
Parameter	*Coefficients*	*Standard Error*	*t Stat*	*P-value*	R Square	0.049853
Intercept	78181429	50580143	1.545694	0.197073	Adjusted R Square	-0.18768
Profit after tax	0.00796	0.017375	0.458122	0.670648	Standard Error	1.16E+08
First Bank					***Regression Statistics***	
Parameter	*Coefficients*	*Standard Error*	*t Stat*	*P-value*	R Square	0.091714
Intercept	7E+08	3.64E+08	1.922275	0.126939	Adjusted R Square	-0.13536
Profit after tax	0.004288	0.006746	0.63553	0.559623	Standard Error	4.95E+08

Dependent Variable = Expenditure on CSR

$P \leq 0.05$

Source: Author Field Report (2019)

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3.5 Findings

Arising from the results of this study as presented above, the following are the major findings of the study:

Firstly, the result showed that the selected commercial banks in the Nigeria made contributions to health sector, education sector and provision of social amenities/community development as part of their Corporate Social Responsibilities. These and other areas are the means through which the commercial banks responds and contribute positively to social and economic development of society by improving the quality of life of the local community and society at large.

The result of the proportions of income of the selected commercial banks generated and spent on CSR between 2102 and 2017 revealed that First bank spent the highest proportion of her profit on CSR among all the selected banks, while Zenith Bank spent the least proportion of her profit on CSR within the same period.

Furthermore, the study revealed that a positive and significant relationship exists between the profit of the banks and their expenditure on CSR between 2012 and 2017.

The findings of the study revealed that the major areas where Corporate Social Responsibilities (CSR) are being carried out by the selected commercial banks in Nigeria include health sector, education sector and provision of social amenities/ community development

4.0 Conclusion and Recommendations

The study concluded that corporate social responsibility has positive effect on profitability of selected quoted banks in Nigeria and the need to encourage banks to be more involved in CSR for the social and economic development of the nation

Based on the findings of this study, the following recommendations are made to improve the Corporate Social Responsibilities (CSR) of commercial banks in Nigeria.

1. Commercial banks in Nigeria should be encouraged by relevant government agencies to extend their expenditure on Corporate Social Responsibilities (CSR) to other key sectors of the economy such as agriculture, as well as small and medium scale enterprises. This will make the impact of their expenditure on Corporate Social Responsibilities (CSR) to have more impact on the economy.
2. Commercial banks like WEMA bank should be encouraged to ensure that their contribution to CSR cuts across the entire major sectors of the economy like other sister commercial banks in the country.
3. The expenditure on Corporate Social Responsibilities (CSR) by commercial banks in Nigeria should be monitored to ensure that it's been channelled to the appropriate use.
4. Government should develop a legal framework for CSR in Nigeria and enact a law that will fix minimum percentage out of commercial bank's profit that will be spent on corporate social responsibility.

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