Corporate Social Responsibilities and Financial Performance of Listed Deposit Money Banks in Nigeria

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Abstract
The objective of the paper is to examine the effect of corporate social responsibility on financial performance of listed deposit money banks in Nigeria. Data were extracted from published financial statements of 12 deposit money banks listed in Nigeria Stock Exchange. The dependent variable of firm financial performance proxy with accounting ratio of earnings per share; the independent variables employed for this study includes: corporate donation, occupational health and safety, staff training and remediation disclosure. This study is based on ex-post facto research design and employed a panel data set collected from twelve (12) listed deposit money banks over a ten (10) year period ranging from 2013 to 2023 financial year. Quantile Regression Analysis (QRA) Technique was employ to ascertain the effects of the independent variables on the dependent variables at different quantiles of the performance variable distribution. The findings reveal that social donations have a significant positive effect on earnings per share at 5% level of significance on both the 50th and 75th quantiles. While occupational health and safety cost has no significant effect on earnings per share at all levels of the distribution. However, we recommend that firms whose interest is to improve earnings per share via corporate social responsibility activities, should place key emphasis on training and development capabilities of its work force.

Keywords: *Corporate Social Responsibility, External, Accountability*

SECTION ONE

INTRODUCTION

1.1 BACKGROUND TO THE STUDY

The notion that business is just for the creation of profit has become increasingly challenged by new practices. Within the new responsibility of businesses, are initiatives that address some of the social concerns that are within the spectrum of its stakeholders' interests. Corporate Social Responsibility (CSR) has become a major thrust that dramatically entered the consciousness of business institutions and its practitioners. Corporations are no longer seen as entities that only exist in order to pursue some form of economic benefits. All over the world, firms are continuously challenged to create greater social visibility and become champions in some of the most crucial social and environmental issues of our time. This new role is added to the corporation's primary purpose of generating profits of which listed deposit money banks in Nigeria are not exempted from this strategic corporate governance direction.

While written information on corporate performance continues to emphasize the value of financial data, various stakeholders are now expecting concrete business visibility even in the primary social issues of a country. Large corporations were identified to make substantial earnings even in the midst of challenging economic situations. Servaes and Tamayo (2013), which leads to a growing belief among stakeholder communities that these corporations could be potential partners of the society where they operate. For these reasons, firms were expected to make solid contributions in addressing social ills as a way of paying back to the public who continues to patronize their businesses. Corporations are getting the identity of being potent co-creators of community-based undertakings and possible crucial allies in the pursuit of larger societal and environmental goals. The interconnectedness of banks with their various stakeholders is often concretized through CSR activities which underscore the value of business-society relations as a hallmark of good corporate governance practice.

Consequently, CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large (Hull & Rothenberg, 2018). CSR reporting is a strategic plan which enables a firm manages stakeholder relationship. In other words, a firm uses CSR reporting to communicate with its stakeholders as guidelines to improve financial reporting quality and achieving better allocation of resources in capital market (Kareem, 2021). CRS sustains business reputation and intensify improvement on their performance. Enyi, Akintoye, and Adegbie (2020) Disclosure on CSR activities is necessary due to the fact that a firm "owes a duty to the society or has a social contract". Concerning the need for communication and verification of social issues, different guidelines were issued and the most widely used guidelines is the Global Reporting Initiative (GRI), founded in 1997 by the Coalition for Environmentally Responsible Economies (CERES) and the United Nations Environmental Programme (UNEP). The current version of the guidelines was published in 2018 and it provides indicators to companies in order to measure and report their economic, social and environmental performance. Samy, Odemilin and Bampton (2010) pointed out that GRI is an attempt to overcome possible problems that may occur using other measurement standards for companies. Moreover, their opinion is granted on the perception of World Business Council for Sustainable Development (WBCSD), which makes GRI a widely acceptable reporting guideline. GRI guidelines could become a means of evaluating investment decision as shareholders will be able to understand past performances and future objectives (Willis, 2018).

A sustained financial performance that emanates from a remarkable relationship with the society can be partly achieved through the company's involvement in CSR activities which can be created through a CSR performance that is both meaningful and highly appreciated by all the stakeholders of the company. Financial performance can also come as a result of a strategic action which begins with the creation of good products and value-adding services that gain acceptance with the consuming public (Waworuntu, Wantah and Rusmanto, 2014). Consequently, this continuous patronage provides steady and sustained financial performance that could finance any new product improvement, expansion of operations of corporate social responsibility activities. The public expectation for companies to maintain transparency and accountability as a vital aspect of corporate governance will continue to drive firms toward a positive and sustained financial performance. In the views of Amahalu, Ezechukwu and Obi, (2017), a firm is sustainable if it functions according to 'Triple Bottom Line' (economic prosperity, environmental quality and social justice).

1.2 STATEMENT OF PROBLEM

It has become a necessity for companies to deal with issues that concern all kinds of stakeholders, either internal or market-related. The competition for and consumption of scarce resources in the global markets have put great pressure on companies to achieve desirable ends beyond maximizing shareholder value. These pressures arise from the increased demands of external stakeholders that hold companies accountable for social and environmental issues. Some companies respond positively to increased stakeholder interest in corporate social responsibility (CSR). But others see a tension between value maximization proposition of the firms and CSR because they become concerned about the legitimacy of corporate involvement in social affairs and the possibility of misappropriating and misallocating scarce resources (Amahalu, Ezechukwu and Obi, 2017). The pressure for corporate accountability is increasing, this holds for legal, social, moral, and financial aspects. Government restrictions with respect to social conduct are increasing even in times of liberalization. Customer demands are rising with the increasing transparency of markets. On top of this, customers are asking for sustainable products (Simionescu and Dumitrescu, 2018). Increasing numbers of investors are not only looking at the financial performance in a corporation's portfolio, but are also valuing the way corporations meet their social responsibilities. All these developments shift the focus of corporate attention from a merely financial orientation to a much broader one. If society can decide that corporations have responsibilities toward stakeholders, it is expected that corporations would be held accountable for their social performance. This applies to their actions, as well as to the outcomes that result from these actions.

Furthermore, firms invest a great deal of time, efforts and resources on CSR in form of corporate donations, occupational health and safety, staff training and remediation in order to satisfy the expectations of stakeholders. However, results obtained from the relationship between CSR and financial performance has been seen to be inconclusive, mixed and contradictory. For instance, Wu, (2012); Amahalu, Ezechukwu and Obi, (2017); Van de Velde, Vermeir and Corten, (2018) documents a significant positive relationship between CSR and financial performance while Waddock, (2014); Ruf, Muralidhar, Brown, Janney and Paul, (2017) document a significant negative relationship between CSR and financial performance. But Turban and Greening (2016) finds insignificant positive relationship between CSR and financial performance. In a related study, Suchman, (2018) recast negative relationship between CSR and financial performance.

To the best of our knowledge most related studies carried out in Nigeria did not consider staff training and remediation disclosure as a measure of CSR. Furthermore, most related studies reviewed employed the use of the Ordinary Least Square (OLS) technique which provides estimates on the bases of the mean point. However, this study departs from existing study by employing Quantile Regression Analysis Technique, which enables us estimate the effect of the independent variables on the dependent variable at different quantiles of the distribution. In this regard, we take cognizance of the fact that members of the cross sections (sample banks) operate at different performance levels during the period under review. Hence, this study fills the research gaps and provides more precise coefficient estimates for "corporate social responsibility and its effect on performance of listed deposit money banks in Nigeria".

1.3 OBJECTIVES OF THE STUDY

The main objective of this study was to ascertain the effect of corporate social responsibility on financial performance of deposit money banks in Nigeria. However, the specific objectives are to:

1. Ascertain the effect of Social donations on performance of deposit money banks in Nigeria.
2. Determine the effect of occupational health and safety on performance of deposit money banks in Nigeria.
3. Assess the effect of staff training on performance of deposit money banks in Nigeria.
4. Evaluate the effect of remediation cost on performance of deposit money banks in Nigeria.

1.4 RESEARCH QUESTIONS

The following research questions are formulated in line with the research objectives:

1. To what extent does Social donation affect performance of deposit money banks in Nigeria?
2. How does occupational health and safety affect performance of deposit money banks in Nigeria?
3. To what degree does staff training affect performance of deposit money banks in Nigeria?
4. What is the effect of remediation cost on performance of deposit money banks in Nigeria?

1.5 RESEARCH HYPOTHESES

In order to achieve the objectives of the study and answer the research questions stated above the following hypotheses was formulated in their null form:

HO_1: Social donations do not significantly affect the financial performance of deposit money banks in Nigeria.

HO_2: Occupational health and safety do not significantly affect the financial performance of deposit money banks in Nigeria.

HO_3: Staff training cost does not significantly affect the financial performance of deposit money banks in Nigeria.

HO_4: Remediation cost does not significantly affect the financial performance of deposit money banks in Nigeria.

SECTION TWO
REVIEW OF RELATED LITERATURE

In this section, a review of extant literature on the subject matter will be carried out covering conceptual framework, theoretical framework and review of empirical studies.

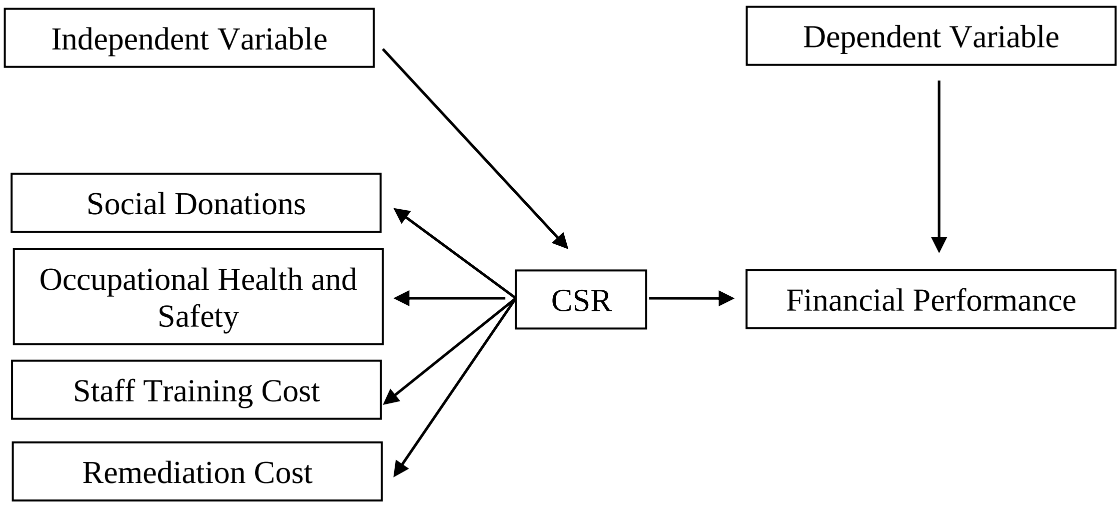

Fig. 1: Diagrammatic representation of the relationship among the variables

2.1. CONCEPTUAL REVIEW

The present-day CSR is a concept whereby business organizations consider the interest of society by taking responsibility for the impact of their activities on customers, suppliers, employees, shareholders, communities and other stakeholders as well as their environment. This obligation demonstrates that organizations must comply with legislation and take voluntary initiatives to improve the well-being of their employees and families as well as the local community and society at large which has far reaching effect on performance (Ehsan and Kaleem, 2012).

2.1.1 Corporate Social Responsibility

Corporate social responsibility (CSR) is the sum of the economic, legal, ethical and philanthropic responsibilities fulfilled by the company over a certain period of time Nollet, Filis and Mitrokostas, (2016). Corporate Social Responsibility (CSR) is a form of corporate self-regulation integrated into business models. Budianto and Suyono (2020:242) believe that CRS is a genuine effort by business entities to minimize negative impact and maximize the positive impact of its operations. CSR functions as a self-regulatory mechanism by which a corporation ensures its active compliance with the spirit of the law and ethical standards. Its aim is to increase the long-term profits or survival of a firm through constructing positive public relations and high ethical standards, in order to reduce the business and legal risk and build shareholder trust. Accordingly, a corporations' CSR strategies are tightly related to its sustainable growth. To ensure sustainable growth, it is necessary for a company to make a positive impact on the surrounding environment, as well as on its stakeholders, such as its consumers, employees, investors, communities, and others (Manasakis, Mitrokostas and Petrakis, 2014).

Kartasasmita (2020) summarizes the importance of CSRD from different perspectives, such as benefits at an international level, and provides relevant information on investors and interactions between firms and their stakeholders. Corporate social responsibility is applicable to almost all organization, banks are not left out. Margolis, Elfenbein and Walsh, (2019) points out the advantages of CSR as, maximizing profit to shareholders who are the real owners of the business, maintaining optimal liquidity for depositors, complying with regulators demand, satisfying the deficit sector demand for credits, contributing to the development of the economy and satisfying the needs of the immediate community in which they operate.

Rezaee, (2020) reveal that higher CSR ratings predict future cash flows more accurately from operations, firm activities that go beyond their obligations improves disclosure in financial reports and add value for stakeholders. CSR is being used today to establish good rapport with the public (McWilliams and Siegel, 2011). It is also used as pre-emption strategy by the corporations to save their skin from unforeseen risks and corporate scandals, possible environmental accidents, governmental rules and regulations, protect eye-catching profits, brand differentiation, and better relationship with employees based on volunteerism terms. Corporations today are much conscious to publish their CSR activities on their websites, sustainability reports and their advertising campaigns in order to get the sympathy of the customer (Nejati and Ghasemi, 2012).

2.1.2 Social Donations

The term social donation refers to any financial contribution made by a corporation to another organization that furthers the contributor's own objectives (Ewing, 2017). Donations could function as a kind of marketing tool, indirect cost saving mechanism, community-oriented investment, or mechanisms to bond employees to the company, and as such improve corporate financial performance. In addition, corporate donations can also solve a collective action problem in which it is difficult to aggregate individual investors' donations to have a strong enough impact on society. If corporate philanthropy can serve the purpose of passing through individuals' donations and make a bigger impact to society, investors may perceive it favorably, consistent with the value-enhancement view (Hao and Renneboog, 2017).

Corporations give to charitable causes, either because of the personal convictions of influential leaders within the corporation, or more commonly to help establish the public perception that the corporation is a good corporate citizen. Corporate charitable giving can be divided into direct cash and non-cash contributions. Direct cash giving comes from corporate headquarters, regional offices, or company sponsored foundations. According to McMenamin (2013) direct cash contributions include: Community grants to support local community efforts or nonprofits - organizations provide some form of community grant or sponsor at least one fundraising event, volunteer grants: which implies giving to nonprofits in recognition of employee-volunteer service to that organization. However, non-cash contributions are contributions of equipment or time that do not include cash contributions and are of the nature of: donation of new or used equipment or supplies, such as computers and other electronic equipment, office supplies, and targeted supplies such as clothing, canned goods, or paper products. Other non-cash contributions include: the use of organizational services/facilities, such as financial and administrative support, computer services, printing, mailing or copying, or targeted professional services and support, application of professional services, such as tax and financial advice, strategic planning and organizational development, graphic arts and copy writing, and legal assistance.

2.1.3 Occupational Health and Safety Disclosure

Safety costs are expenses related to improving workplace safety. Non-safety costs include any expense from a lack of safety in the workplace, like accidents, incidents, or lawsuits. The value of a company's program is determined by how much non-safety costs improve as a direct response to safety expenditures Kumaraveloo, Sakthiaseelan and Kolstrup, (2018). Occupational health and safety is referred to as occupational health and occupational and non-occupational safety and includes safety for activities outside of work. In common-law jurisdictions, employers have a common law duty to take reasonable care of the safety of their employees. The goals of occupational safety and health programs include fostering a safe and healthy work environment World Health Organization, (2017). Occupational health and Safety may also protect co-workers, family members, employers, customers, and many others who might be affected by the workplace environment. Occupational health deals with all aspects of health and safety in the workplace and has a strong focus on primary prevention of hazards (Chebotarev, 2018).

2.1.4 Staff Training

Training is an organized activity aimed at imparting information and/or instructions to improve the recipient's performance or to help him or her attain a required level of knowledge or skill Jason, (2015). Staff training is an educational preparation for performing a job that is typically provided to staff by the business that has recently hired them before they become active in service to the company. Staff training is increasingly required to assist the work force in using modern techniques, tools, strategies and materials in their jobs. Training costs means the reasonable costs of training and education for sensitivity, anti-harassment, minority development or diversity programs but only when required under the terms of a settlement, judgment or consent decree; provided, however, that such training and education is commenced and completed within a specific period of the date of said settlement, judgment or consent decree. Training costs are subject to the training costs sublimit. This sublimit is the maximum aggregate amount that the insurer will pay for all training costs, and is subject to, part of, and not in addition to, the limit of liability in the declarations. Training costs can include course fees, books, equipment and materials, and personal costs such as transport (O'Sullivan and Sheffrin, 2013). In the views of Stephen and Stuart (2017) the direct costs of training may include: the training provider's fee, the cost of training materials, if they are not included in the course fee, travel and accommodation costs for participants and training materials. The indirect costs of training may include: participants' wages, including all on-costs (e.g. tax, superannuation and workers' compensation), the cost of temporarily replacing staff, or the cost of productivity loss while they are being trained, the cost of management time spent setting up the required training, and any administrative costs and utilities related to the training activity.

2.1.5 Remediation Cost

Remediation cost means the costs of providing a remedy for; redress or make right of a particular environmental defect to the extent required by applicable environmental law (Hughes, 2017). Environmental remediation costs mean all costs and expenses of actions or activities to (a) cleanup or remove Hazardous Materials from the environment, (b) to prevent or minimize the further movement, leaching or migration of Hazardous Materials in the environment, (c) prevent, minimize or mitigate the release or threatened release of hazardous materials into the environment, or injury or damage from such release, and comply with the requirements of any environmental laws. Environmental remediation costs include, without limitation, costs and expenses payable in connection with the foregoing for legal, engineering or other consultant services, for investigation, testing, sampling, and monitoring, for boring, excavation, and construction, for removal, modification or replacement of equipment or facilities, for labor and material, and for proper storage, treatment, and disposal of hazardous materials (Madrakhimova, 2013).

2.1.6 Financial Performance

Financial performance is the primary and concrete basis of a company's economic legitimacy to exist. As a corporate governance tool, a good financial performance guarantees the continued reward of corporate ownership, management and control. A good financial performance is achieved when the company's leaders and movers make decisions, which considers the welfare and interests of its shareholders. A good financial performance is a pragmatic tool that explains the company's adherence to standards of corporate governance. In the simplest of terms, financial performance outlines the over-all health of a company. Financial performance refers to the act of performing financial activity. In broader sense, financial performance refers to the degree to which financial objectives being or has been accomplished. It is the process of measuring the results of a firm's policies and operations in monetary terms. These results are reflected in the firm's return on investment, return on assets, value added, etc. (Lyndsey, 2019). The level of performance of a business over a specified period of time, expressed in terms of overall profits and losses during that time. Evaluating the financial performance of a business allows decision-makers to judge the results of business strategies and activities in objective monetary terms (Eshna, 2018). Financial performance is a subjective measure of how well a firm can use assets from its primary mode of business and generate revenues. This term is also used as a general measure of a firm's overall financial health over a given period of time, and can be used to compare similar firms across the same industry or to compare industries or sectors in aggregation (Will, 2018). In this study we employ the performance variable of earnings per share.

2.1.7 Earnings Per Share (EPS)

The term earnings per share (EPS) represents the portion of a company's earnings, net of taxes and preferred stock dividends, that is allocated to each share of common stock. The figure can be calculated simply by dividing net income earned in a given reporting period (usually quarterly or annually) by the total number of shares outstanding during the same term. Because the number of shares outstanding can fluctuate, a weighted average is typically used.

2.2 THEORETICAL FRAMEWORK

2.2.1 Stakeholder Theory

Stakeholder Theory is a view of capitalism that stresses the interconnected relationships between a business and its customers, suppliers, employees, investors, communities and others who have a stake in the organization. The theory states that a firm should create value for all stakeholders, not just shareholders. In 1984, R. Edward Freeman propounded the theory of organizational management and business ethics that addresses morals and values in managing an organization. He noted that a stakeholder is "any group or individual who can affect or is affected by the achievement of the organization's objectives". The general idea of the stakeholder concept is a redefinition of the organization. In general, the concept is about what the organization should be and how it should be conceptualized. Friedman and Miles, (2006) states that the organization itself should be thought of as grouping of stakeholders and the purpose of the organization should be to manage their interests, needs and viewpoints. This stakeholder management is thought to be fulfilled by the managers of a firm. The managers should on the one hand manage the corporation for the benefit of its stakeholders in order to ensure their rights and their participation in decision making and on the other hand the management must act as the stockholder's agent to ensure the survival of the firm to safeguard the long-term stakes of each group (Freeman, Harrison and Zyglidopoulos, 2018). Consequently, we align our study to the stakeholder theory since it is a theory of management that concerns itself with matters related to morals and ethics in running a business with a key concern that a business must seek to maximize value for its stakeholders. We find that the stakeholders' theory emphasizes the interconnections between business and all those who have a stake in it, to include: customers, employees, suppliers, investors and the community Hitesh, (2018) which forms part of the motivation of the study.

2.2.2 Social Donations and Performance

Corporate Social Responsibility Reporting provides investors certainty and security to invest in capital market. Social disclosure contains information that provides facilities for investors in making decisions. Furthermore, social disclosure information reduces uncertainty for investors. Corporate Social Responsibility Reporting has differential effect on monthly stock price (Chen, Zhihing and Wei, 2019). To maintain and enhance performance and reputation, including improving market performance, then company needs to do a set of strategies such as legitimacy by doing Corporate Social Responsibility Reporting. Empirical proving about relationship between financial performance and CSR has led to a diverse and interesting phenomenon. Several studies have found a positive effect, negative even no effect (neutral), as in the studies of Yang (2010), that found a positive relationship between donations and ROA; Mittal, Sinha and Singh, (2018) documented a negative relationship between donations and ROA; while Basalamah and Jermias, (2015) evidenced no relationship between donations and ROA.

2.2.3 Occupational Health and Safety and Performance

CSR practice has witnessed a substantial rise in due course of time, which has led to the aggressive research on the relationship between CSR and financial performance. However, Jiao, (2010) argued that the research on the relationship has produced mixed findings. Many researchers have tried to find a relationship between the firm's CSR initiatives and their financial performance. As Wang and Choi, (2013) argue, if certain actions that are classified as socially responsible are negatively associated with the firm's financial performance (ROA), then the managers are advised to be cautious. On the contrary, if the relationship exhibits a positive association, the managers are encouraged to pursue such activities with enthusiasm. According to Yusoff and Adamu, (2016), even if health and safety is viewed as a significant cost, the firms with profitable performance might be more willing to absorb these costs in the future. However, less profitable firms are reluctant in undertaking socially responsible activities. Ruf, Muralidhar, Brown, Janney and Paul, (2017) believe that indulging in CSR is an extra cost to the firm, thus the net financial performance (ROA) goes low, thereby indicated a negative relationship. In contrast, Barnett and Salomon (2012) confirmed a positive impact of a firm's health and safety activities on its financial performance. Barnett and Salomon, (2012) argued that an increase in the expenditure on social activities improves the stakeholder relationships which reduces firm's transaction costs and increases the market opportunities and pricing premiums, which further leads to higher net financial performance (ROA).

2.2.4 Staff Training and Performance

Corporate social responsibility is defined as achieving commercial success in ways that honor ethical values and respect of the people, communities and the natural environment. Murtaza, Akatar, Ijaz and Sadig, (2014) describe corporate social responsibility as actions that appear to further some social good, beyond the interest of the firm and that which is required by law. Various empirical studies exist in literature on corporate social responsibility in developed economies and are mixed such as Malik and Nadeem, (2014), Gracia-Castro, Arino and Canels, (2010). Cornett, Erhemjocints and Tehranian, (2014) study on corporate social responsibility and its impact on financial performance focused on the investigation of U.S commercial banks. The study found that the largest banks consistently have higher corporate social responsibility strength and this appears rewarding as it has a positive and significant impact on their earnings per share.

2.2.5 Remediation and Performance

There are many costs of inaction arising from environmental degradation attributable to air and water pollution. With respect to air pollution, there are significant concerns associated with particulate matter (PM), ozone (O_3) and nitrogen oxides (NOx). Other air pollutants of concern include lead and other metals, polycyclic aromatic hydrocarbons (PAHs), and ammonia (NH_3). With respect to water pollution, significant concerns include nutrients, dioxins, furans, and persistent organic pollutants, as well as metals such as lead, mercury and arsenic. At the global level, some of the most important costs of inaction arise from bacterial pollution due to inadequate water supply and sanitation. Research, scholars, and academicians have empirically analysed the relationship between remediation cost and ROA and found a mixed result. For example, Kanwal, Khanm, Nasreen and Hameed (2013) found a negative relationship between remediation cost and ROA. In a related study, Enahoro, Akinyomi, and Olutoye, (2013) have argued that high responsibility results in additional costs that put a company at an economic activities disadvantage compared to other, less socially responsible companies.

2.3 EMPIRICAL REVIEW

Zhou, Sun, Luo & Liao (2021) using data of listed banks in China for the period 2008 to 2018; they investigates the impact of corporate social responsibility on bank financial performance. The study also examined the mediating effect of green credit on the relationship. Mediating regression analyses show that corporate social responsibility would make a negative impact on bank financial performance in the short term but turns out to be positive in the long run. The result also reveals that, green credit does play an important role in this relationship.

Teanpitthayamas, Suttipun and Lakkanwanit (2021), the study demonstrates that stakeholder theory can explain the effect of CSR practices on corporate performance. The study investigates the extent and level of corporate social responsibility (CSR) practices of hotels in Thailand, test the different level of CSR practices of hotel; CSR-in-process and CSR-after-process, and also examine the effect of CSR practices on hotel's performance using balanced scorecard (BSC) measure. The study employed descriptive analysis, paired sample t-test, correlation matrix, and multiple regression to analyze the data obtained from mailed survey data collected from 402 owners and executives of the sampled hotels. Notably, the study found a positive effect of both CSR-in-process and CSR-after-process practices on hotel performance and recommended that managers should implement CSR practices into their business strategies.

Singh and Misra (2021) empirically investigate the relationship between corporate social responsibility and organizational performance using European multinational firms. The effectiveness of corporate reputation as a moderator on corporate social responsibility-organizational performance linkages was also evaluated. Data which comprised 340 responses collected from senior executives/managers working in European multinational firms was analyzed using (a) theoretical model construction; strategic paradigm of literature; and (b), hierarchical regression analysis. The outcome revealed that corporate social responsibility when exercised towards external stakeholders influences organizational performance.

Olanniyan, Efuntade, and Efuntade (2021) examined the impact of corporate social responsibility on financial performance in Nigeria. The purpose of the study was to mediate the role of ethical social responsibility and its impact on the financial performance of the Nigerian manufacturing company. This study is predicated on the stakeholder theory, managerial theory, utilitarian theory and rational theory. Primary data sources were explored in presenting the facts of the situation. This paper investigates how the relationship between corporate social responsibility and employee performance affect the financial performance of manufacturing firms. The upshots of the analysis, using structural equation modeling on 150 completed questionnaires sent to the manufacturing companies in Nigeria, suggest that ethical social responsibility is significantly associated with the incorporation of corporate social responsibility through employee performance, which in turn has a significant and positive impact on financial performance. The results contribute to previous studies that have found reliable results on the direct association between ethical social responsibility and financial performance by demonstrating that employee performance acts as a mediator in the relationship between ethical social liabilities together with the financial performance of the corporation. Managers can strengthen their stakeholder relations and ultimately improve their financial performance if ethical social responsibility to stakeholders is integrated into business routines.

Mtaturu and Muloli (2021), the objective of the study conducted is to examine the influence of corporate social responsibility on performance of registered banks in Tanzania. The study employed Probit and Fixed Effects regression on a total of 20 registered banks for the period 2008 to 2019. The key findings revealed that, the likelihood of banks performance decreases with support offered by the banks to the society through corporate social responsibility. The findings imply that managers need to review and develop appropriate marketing strategies in order to achieve a better economic performance and recommends that firms should manage their corporate social responsibility schemes by reviewing related policies based on cost benefit analysis to establish consistent and win-win CSR strategies.

Mac-Ozigbo and Daniel (2020) analyzed the effect of corporate social responsibility on the financial performance of organizations in Nigeria with emphasis on the construction companies. The population constitutes four construction companies who are the leaders in the business. A census approach was adopted. Data used were for the years 2014 to 2018 for the companies as extracted from the dossiers of these companies. The study used Multiple Regression Model as the techniques of analysis. The theory of stakeholders was adopted as the theoretical framework. In line with the findings of the study, it concluded that corporate social responsibility has a significant effect on the profitability of corporate organizations, especially, the construction companies in Nigeria. It then recommends among other things that organizations should render more of social responsibility as this could enhance their profitability. Government agencies should enact clearly defined laws on how to go about social responsibility issues of corporate organizations and such laws should be fully implemented.

Kaur and Singh (2020) examined the impact of corporate social responsibility on financial performance in terms of value-added, profitability, market and growth measures of Indian steel industry for the period 2004 to 2018. Data of 40 companies collected from corporate social responsibility/annual reports/official websites of the companies and Prowess database were analyzed using regression analysis, MANOVA and univariate ANOVA. The result indicates a positive impact of corporate social responsibility on firm performance in terms of value added, profitability and growth measures, thereby indicating that more investments in corporate social responsibility will generate wealth for shareholders, enhance profitability and sales. The outcomes implies that companies with higher corporate social responsibility rating create a brand image, attract proficient employees, get greater profit, loyal customers and have less possibility of bribery and corruption.

SECTION THREE
METHODOLOGY

3.1 RESEARCH DESIGN

The study adopted the *ex-post facto* analytical research design. The study would be based on *ex-post facto* since the event has already taken place hence the data already exist and no attempt is made to manipulate the data of the selected variables of the study. Such a research design is used to obtain information concerning the current state which describes what exists in respect to variables or conditions in a situation. It enables the researcher to obtain adequate information and identify variables and hypothetical constructs used to test theories. This method is considered appropriate because the study involves interacting with the population of interest in order to examine: corporate social responsibility and performance of deposit money banks in Nigeria.

3.2 POPULATION OF THE STUDY

The population of this study consisted of all twenty-two deposit money banks that are listed on the floor of the Nigerian Stock Exchange as at 31st December 2023 for ten (10) consecutive years beginning from 2013 to 2023. They are; Access Bank Nigeria Plc, Taj Bank Ltd., Eco-Bank Nigeria Plc, Fidelity Bank Nigeria Plc, First Bank Nigeria Plc, First City Monument Bank Plc, Guaranty Trust Bank Plc, Jaiz Bank Plc, Stanbic IBTC Plc, Skye Bank Plc, Sterling Bank Plc, Union Bank Nigeria Plc, United Bank for Africa Plc, Unity Bank Plc, Wema Bank Nigeria Plc, Zenith Bank Nigeria Plc, Citibank Nigeria Limited, Ecobank Nigeria Plc, Heritage Bank Limited, Keystone Bank, Standard Chartered, SunTrust Bank Nigeria Plc, and Providus Bank Limited

3.3 SAMPLE SIZE

In order to arrive at our sample size, first we deleted two (2) non-interest charging banks due to their different mode of operations, guild lines and standards. Second, we took away two (2) banks with regional licenses due to the inadequacy of less geographic coverage and finally we removed six (6) other banks that the researcher could not access their complete annual report for the period under study. However, to arrive at the final sample size, we employed the simple random sampling technique with the formula of Yaro and Yamane, (1973) for determining the sample size since we worked with a finite population of 12 deposit money banks,

given by: n = N/(1 + Ne^2)

Where. n= corrected sample size,

N = population size, and
e = Margin of error (MoE),
e = 0.05 as shown below:
{12 / (1 + (12 * 0.05 * 0.05)}Approximately = 12

3.4 SOURCE OF DATA AND METHOD OF DATA COLLECTION

The nature of this study necessitates the use of secondary data. The annual reports of the sampled banks will be used in sourcing the data for this study between 2013 to 2023 which is due to its degree of reliability and widespread acceptability by organizational stakeholders.

3.6 MODEL SPECIFICATION

In this study we will use proxy bank performance as earnings per share (eps) which is a function of staff training disclosure (sffcost), social donation, (sdon), Remediation cost (remcost) and health safety cost (hscost). This can be written in econometric form as:

$$eps = sffcost + sdon + remcost + hscost + \mathcal{E}_t \quad \ldots\ldots\ldots\ldots (1)$$

However, in this model bank and time effects are ignored. But by incorporating unobserved bank effect in equation (4) we get the following equation:

$$eps = sffcost + sdon + remcost + hscost + \mathcal{E}_{it} \quad \ldots\ldots\ldots\ldots (2)$$

Where $\mathcal{E}_{it} = U_{it} + \mathcal{E}_{it}$ with □$_i$ are banks unobservable individual effects. The difference between a pooled OLS regression and a model considering unobservable individual effects lies precisely in □$_{i..}$ Furthermore, due to the advantages of quantile regression estimation technique over OLS model, we examined the various performances at 25th, 50th, and 75th quantiles due to its popular usage and unique advantages.

Model Specification:

$$Q_{.25}\,(eps_{it}) = \lambda_{.25} + \lambda_{.25,1}sffcost_{it} + \lambda_{.25,2}sdon_{it} + \lambda_{.25,3}remcost_{it} + \lambda_{.25,4}hscost_{it} + \square_{.25it} \ldots\ldots\ldots 3$$

$$Q_{.50}\,(eps_{it}) = \lambda_{.50} + \lambda_{.50,1}sffcost_{it} + \lambda_{.50,2}sdon_{it} + \lambda_{.50,3}remcost_{it} + \lambda_{.50,4}hscost_{it} + \square_{.50it} \ldots\ldots\ldots\ldots 4$$

$$Q_{.75}\,(eps_{it}) = \lambda_{.75} + \lambda_{.75,1}sffcost_{it} + \lambda_{.75,2}sdon_{it} + \lambda_{.75,3}remcost_{it} + \lambda_{.75,4}hscost_{it} + \square_{.75it} \ldots\ldots\ldots\ldots 5$$

Where:

eps	= Earnings Per Share
sffcost	= Staff Training Cost
sdon	= Social Donation
remcost	= Remediation Cost
hscost	= Health and Safety
Q.25	= Quantile 25
Q.50	= Quantile 50
Q.75	= Quantile 75

The study employed sqreg module of STATA 14 for quantile regression estimation and obtain an estimate of the entire variance-covariance of the estimators. Simultaneous quantile regression is a robust regression technique that accounts for the non-normal distribution of error term and heteroscedasticity (Koenker and Bassett, 1978). According to Koenker and Hallock (2001), unlike traditional linear models, such as OLS regression, which assumes that estimates have a constant effect, simultaneous quantile regression can illustrate if independent variables have non-constant or variable effects across the full distribution of the dependent variable.

SECTION FOUR
DATA PRESENTATION AND ANALYSIS

4.1 DATA PRESENTATION

The study investigates the effect of corporate social responsibility and performance by drawing samples from 12 listed deposit money banks in Nigeria. While earnings per share have been employed as the dependent variable, the proxy for corporate social responsibility that we adopted for this study includes: staff training, social donations, remediation disclosure and health and safety disclosure. The data set employed for this study span through the periods of 2013 – 2023. However, in identifying the possible effect of corporate social responsibility disclosure on bank performance, we conducted descriptive statistics, correlation matrix, data normality test, Regression Equation Specification Error Test and a Simultaneous Quantile Regression Analysis. However, some post estimation test; multicollinearity employing the Variance Inflation Factor Test (VIF), test for omitted variable bias using the Ramsy RESET Test and the test for heteroscedasticity were also conducted. The results are analyzed as follows: table 4.1 shows the mean (average), maximum, minimum, standard deviation, sum, for each of the variables in terms of fiscal year. The results below provide some insight into the nature of the data from the selected Nigerian deposit money bank that were used in this study.

4.2 ANALYSIS OF DATA

4.2.1 Descriptive Statistics

The descriptive statistics table is used to describe the basic features of the data in the study. It provides simple summaries about the series. Together with simple analysis, they form the basis of virtually every quantitative analysis of data.

Table 4.1 Descriptive Statistics

fiscalyear	eps	hscost	remcost	ssdon	ssffcost
2010	1.3675	1	.0833333	11.59384	16.73236
	.565	1	0	11.11796	16.56048
	8.3	1	1	13.69639	17.76941
	.03	1	0	9.700024	15.38749
	2.245319	0	.2886751	1.360984	.6704477
	12	12	12	12	12
2011	-.6525	1	.0833333	11.28028	16.82643
	.31	1	0	11.213	16.75744
	1.69	1	1	13.78361	17.86806
	-12.66	1	0	7.824046	15.69767
	3.847261	0	.2886751	1.634102	.7014709
	12	12	12	12	12
2012	1.225	.9166667	.0833333	11.79265	16.99874
	.715	1	0	11.81174	16.89243
	3.19	1	1	13.85932	18.04677
	-.42	0	0	9.830916	15.87364
	1.157446	.2886751	.2886751	1.194567	.6780292
	12	12	12	12	12
2013	1.320833	.9166667	.1666667	12.38777	17.091
	1.165	1	0	12.50265	17.02963
	3.17	1	1	14.41105	18.00243
	.08	0	0	10.60162	16.0052
	1.046044	.2886751	.3892495	1.235957	.6569011
	12	12	12	12	12
2014	1.614167	1	0	12.54995	17.15524
	1.565	1	0	12.55969	17.13415
	3.47	1	0	14.43984	18.19557
	.06	1	0	11.04292	16.12138
	1.205069	0	0	.9847557	.657359
	12	12	12	12	12

Computed with data in appendix i

2015	1.280833	1	.0833333	12.07764	17.17568
	.65	1	0	12.28783	17.12685
	3.51	1	1	14.16476	18.20272
	.06	1	0	9.914526	16.09692
	1.273695	0	.2886751	1.290021	.6647949
	12	12	12	12	12
2016	1.56	1	.25	11.9909	17.21226
	.81	1	0	12.15167	17.21039
	4.67	1	1	14.75434	18.244
	.07	1	0	9.405085	16.15272
	1.590929	0	.452267	1.529322	.7153766
	12	12	12	12	12
2017	1.928333	.9166667	0	12.44463	17.222
	1.12	1	0	12.82087	17.25438
	6.03	1	0	14.77524	18.26611
	-1.28	0	0	9.429476	16.11905
	2.329681	.2886751	0	1.500501	.7332783
	12	12	12	12	12
2018	2.465	1	.1666667	12.48905	17.22888
	1.22	1	0	12.81614	17.26644
	7.04	1	1	14.80319	18.25354
	.09	1	0	9.433484	16.14364
	2.653397	0	.3892495	1.514154	.7183586
	12	12	12	12	12
2019	2.573636	.7272727	.0909091	12.69746	16.93559
	.78	1	0	12.85359	17.17025
	6.95	1	1	16.01435	18.22402
	.08	0	0	9.484177	14.66637
	2.828969	.4670994	.3015113	1.872944	1.024116
	11	11	11	11	11
Total	1.458992	.9495798	.1008403	12.12565	17.05885
	.79	1	0	12.22615	17.07121
	8.3	1	1	16.01435	18.26611
	-12.66	0	0	7.824046	14.66637
	2.269207	.2197356	.3023904	1.44077	.718158
	119	119	119	119	119

Computed with data in appendix i

From the descriptive statistics table above we find that on average, all the sampled banks maintained a training cost of about N17 million and recording the highest training cost in year 2023. We also realized that spending on staff cost steadily increased between periods 2013 and 2023 which may account for the need for more training and retooling for member staff of the sampled banks. Furthermore, we find that social donation rose from

N11.69million in 2013 to about N12.69million in 2023. This increase in social donation may be attributed to the perceived importance of CSR which include: better access to valuable resources, creating financial returns, corporate citizenship, to increase trust and reputation, strategic philanthropy, to satisfy stakeholder expectations, potential to charge a premium price for products as well as the enhanced attractiveness to recruit and to retain high-quality employees. Also, from the variable of remediation cost, we find that 10% of the sampled banks were involved in one form of remediation or the other during the period under investigation.

This suggest that about 90% of the sampled banks were not engaged in making expenses payable in connection with legal, engineering or other consultant services, for investigation, testing, sampling, and monitoring, for boring, excavation, and construction, for removal, modification or replacement of equipment or facilities, for labor and material, and for proper storage, treatment, and disposal of Hazardous Materials as highlighted by Madrakhimova (2013). From the result shown above we also found that about 95% of the sample banks engaged in health and safety disclosure which is quite commendable as it implies that management of these banks are concerned about the health and safety measures of the employees. On the average the variable of earnings per share was positive for the banks during the period under investigation. It shows that every investor earned approximately one naira for every unit of shareholding.

4.2.2 Correlation Analysis

Correlation is used to measure the association between two variables. If correlation is found, depending upon the numerical values measured, it can be either positive or negative. If there is correlation between two numerical sets of data, positive or negative, the coefficient worked out can allow you to predict future trends between the two variables. The possible existence of perfect correlation is tested based on the correlation matrix incorporating all the variables of interest. Pearson correlation matrices in the table below show that all the correlation coefficients are less than 0.8, which suggest a positive strong correlation percentage commonly suggested by prior study of Ajide and Abdulazeez (2018).

Table 4.2 Correlation Matrix

	eps	hscost	remcost	ssdon	ssffcost
eps	1.0000				
hscost	0.0429	1.0000			
remcost	0.0528	0.0772	1.0000		
ssdon	0.4770	0.1021	0.0568	1.0000	
ssffcost	0.3706	0.0305	0.0937	0.6379	1.0000

Computed with data in appendix ii

Table 4.3 Heteroscedasticity, Variance Inflation Factor (VIF), Omitted Variable Bias and Data Normality test

Mean VIF	1.3900
Heteroscedasticity Test (P>chi2)	0.2966
Ramsy Reset Test	0.5866
Normality Test:	
Social donation	0.4091
Occupational health and safty	0.0000
Staff training	0.0115
Remediation cost	0.0000
Earning per share	0.0000

Computed with data in appendix v,vi.vii & iii

4.2.3 Multicollinearity Test

The VIF test measures how much the variance of the estimated regression coefficients are inflated as compared to when the predictor variables are not linearly related. It is used to explain the amount of multicollinearity (correlation between predictors) which exists in a multiple regression analysis. Multicollinearity implies the existence of a linear relationship between two or more explanatory variables. This relationship makes it difficult to differentiate the individual effects of the explanatory variables hence, the regression estimator may be biased in that they tend to have large variances Murray, (2006). Furthermore, if there is a perfect linear relationship among the explanatory variables, the estimates for a regression model cannot be uniquely computed. If multi-collinearity is found between two variables it means that when there is a systematic change in one variable, there is also a systematic change in the other variables altogether over a certain period of time.

Furthermore, it is a measure of how much the variance of the estimated regression coefficient b_k is "inflated" by the existence of correlation among the predictor variables in the model. A mean VIF of 1 means that there is no correlation among the k^{th} predictor and the remaining predictor variables, hence the variance of b_k is not inflated at all. The general rule of thumb is that mean VIFs exceeding 4 warrant further investigations, while mean VIFs exceeding 10 are signs of serious multicollinearity requiring correction. Table 4.3 above shows the result obtained from the variance inflation factor analysis. It reveals the mean VIF value of 1.39 which is less than the benchmark value of 10 indicating the absence of multicollinearity.

4.2.4 Test for Heteroscedasticity

A linear regression model assumes that the error terms are normally distributed. However, the test for heteroscedasticity is simply to check whether the variance of the errors from a regression is dependent on the values of the independent variables. Accordingly, a p-value less than a significance level of 0.05, requires that we can reject the null hypothesis that the variance of the residuals is constant and infer that heteroscedasticity is indeed present. However, the probability value of 0.2966 resulting from the test for heteroscedasticity shown in table 4.3 above implies that the result is free from the presence of unequal variance.

4.2.5 Linearity Test

Furthermore, we conduct the Ramsey Regression Equation Specification Error Test (RESET) to find out whether non-linear combinations of the fitted values help explain the response variable. In statistics, the test is a general specification test for the linear regression model. As a rule of thumb, if the Probability of Chi^2 > 0.05 then we accept the null hypothesis of *no Regression Equation Specification Erro*r. However, the result obtained in table 4.3 above (0.5866), show that there is no specification error in the regression model.

4.2.6 Normality of Data

In statistics, normality tests are used to determine if a data set is well-modeled by a normal distribution and to compute how likely it is for a random variable underlying the data set to be normally distributed. If the test is significant, the distribution is non-normal. In this study we find that the P-value of the dependent variable of interest (Earning Per Share 0.00) is significant i.e not normally distributed hence we recourse to the use of quantile regression analysis technique which is capable of capturing any outlier in the data set. The Ordinary Least Square Regression (OLS) results indicate that estimating only the conditional mean of a response variable is inappropriate since the data fail to meet the assumptions needed to perform an OLS regression analysis. Checking for normality of the residuals, using the Shapiro wiki test, the result show that we should reject the null hypothesis that the residuals are normally distributed which is as a result of the abnormal data distribution of the variables of the variables of interest. Hence, the different results for OLS vis-à-vis Quantile Regression are not surprising. In this case, estimating the effects of corporate social responsibility cost on bank performance at different points of the conditional distribution using Quantile Regression is more functional since each quantile may be associated with different effects. The Quantile Regression results reveal that the effects of corporate social responsibility variables differ across the quantiles in the conditional distribution of bank performance (Earnings Per Share). The effects in different quantiles can be seen in the table below. These estimates are produced in STATA using the “grqreg” command after running the “qreg” command. We are particularly interested in how the effects of corporate social responsibility cost disclosure vary within the quantiles. In this study, we only report the findings for our key explanatory variables, given our theoretical focus.

4.3 PRESENTATION AND ANALYSIS OF QUANTILE REGRESSION RESULTS

In testing for the cause-effect relationship between the dependent and independent variables in the models, the researcher employed quantile regression estimation techniques. Table 4.4 presents the results obtained from all three quantiles of the model under consideration. The results revealed differences in the magnitude of the coefficients, signs and the number of significant and insignificant variables. The estimation of the quantile regression analysis is based on the fact that we observe that the data set are not normally distributed as revealed by the data normality test.

Table 4.4 Results of Ordinary Least Square Regression (OLS) & Simultaneous Quantile Regression (SQR) Analysis

Variables	OLS	Q25	Q50	Q75
Hscost	**-.0353902 .8535375 { -0.04} (0.967)**	**-.0507361 .4700557 {-0.11} (0.914)**	**.0627852 .2669309 (0.24} (0.814)**	**-.438785 .4166669 { -1.05} (0.295)**
Remcost	**.1477343 .6190927 {0.24} (0.812)**	**.0702613 .219843 {0.32} (0.750)**	**-.1529616 .8912819 {-0.17} (0.864)**	**-.7186959 1.197394 {-0.60} (0.550)**
Sdon	**.6397812 .1684773 {3.80} (0.0000)**	**.1085839 .0835822 {1.30} (0.197)**	**.3114398 .1470175 {2.12} (0.036)**	**.5999036 .0919747 {6.52} (0.000)**
Sffcost	**.3467229 .3374015 {1.03} (0.306)**	**.5498722 .1862972 {2.95} (0.004)**	**.7061065 .1470175 {4.73} (0.000)**	**.6994346 .2123274 {3.29} (0.001)**
r^2	**.2353**	**0.1500**	**0.2357**	**0.2445**

Note: R _Squared for Quantile 25 = 0.1500, R _Squared for Quantile 50 = 0.2357 R _Squared for Quantile 75 = 0.2445
t-value = {}, P-value = () repeated in each variable distribution.

Computed with data in appendix ix

From the table above, we observed that the R-squared value is 0.2353 for Ordinary Least Square (OLS) regression, 0.1500 for quantile 25, 0.2357 for quantile 50 and 0.2445 for quantile 75 respectively. This indicate that about 24%, 15%, 24% and 24% of the systematic variations in earnings per share have been jointly explained by the independent variables over the period under investigation for OLS and the various quantiles of the distribution. This implies that the independent variables adopted in this study have not been able to explain a complete variation in earnings per share hence the remaining unexplained 75%, 85%, 76%, and 76% respective variations lies in the error term.

4.4 TEST OF HYPOTHESES

Hypothesis 1*: Social Donations does not significantly impact on performance of deposit money bank in Nigeria at all quantiles of the distribution*

Again, the variable of social donation (sdon) with coefficient value of 0.109, t-value of 1.30 and P_value of 0.197 then at 50^{th} quantile the coefficient value is 0.311, t-value of 2.12 and P_value of 0.036 while at the 75^{th} quantile it is seen to have a coefficient value of 0.599, t-value of 6.52 and P_value of 0.000 which overall revealed that social donation impacts significantly on bank performance only at 50^{th} and 75th quantiles. This finding aligns with the result obtained from the OLS model having coefficient value of 0.639, t- value of 3.80 and probability value of 0.000. This indicates that a one naira increase in staff cost will significantly increase firm performance for listed banks whose performance level falls around 50^{th} and 75^{th} quantile. This finding supports apriori expectation and we accept the alternative hypothesis that staff cost has a significant effect on firm performance at least in two quantiles of performance variable distribution.

Hypothesis 2: ***Health and Safety Cost does not significantly impact on performance of deposit money bank in Nigeria at all quantiles of the distribution***

From the findings shown in the table above, the variable of health and safety cost (hscost) at 25th quantile with coefficient value of -0.051, t-value of -0.11 and P_value of 0.914 then at 50th quantile the coefficient value is 0.063, t-value of 0.24 and P_value of 0.814 while at the 75th quantile it is seen to have a coefficient value of -0.439, t- value of -1.05 and P_value of 0.295 which overall revealed that health and safety cost does not statistically significantly impact on bank performance at all quantiles of firm performance distribution. This finding is consistent with the result obtained from the OLS model having coefficient value of -0.035, t- value of -0.04 and probability value of 0.967. This finding is also not consistent with apriori expectation hence we accept the null hypothesis that health and safety cost has no statistically significant effect on firm performance in at least one quantile of firm performance variable distribution.

Hypothesis 3: ***Staff training cost does not significantly impact on performance of deposit money bank in Nigeria at all quantiles of the distribution***

The variable of staff training cost (sffcost) at the 25th quantile revealed a coefficient value of 0.549, t-value of 2.95 and P_value of 0.004 then at 50th quantile the coefficient value is 0.706, t-value of 4.73 and p_value of 0.000 while at the 75th quantile it is seen to have a coefficient value of 0.966, t- value of 3.29 and p_value of 0.001 which revealed that staff cost impacts significantly on bank performance at all quantiles of the distribution. This finding disagrees with the result obtained from the OLS model which showed that staff cost does not significantly drive the value of earnings per share. However, our finding indicates that a one naira increase in staff cost will significantly increase firm performance for listed banks whose performance level in terms of earnings per share falls around 25th 50th and 75th quantiles. Hence, we accept the alternative hypothesis that staff cost has a significant effect on firm performance.

Hypothesis 4: ***Remediation Cost does not significantly impact on performance of deposit money bank in Nigeria at all quantiles of the distribution***

From the findings shown in the table above, the variable of remediation cost (remcost) at 25th quantile with coefficient value of 0.70, t-value of 0.32 and P_value of 0.750 then at 50th quantile the coefficient value is -0.153, t-value of -0.17 and P_value of 0.864 while at the 75th quantile it is seen to have a coefficient value of -0.719, t- value of -0.60 and P_value of 0.550 which overall revealed that remediation cost does not statistically significantly impact on firm performance at all quantiles of firm performance distribution. This finding is in tandem with the result obtained from the OLS model having coefficient value of 0.148, t- value of 0.24 and probability value of 0.812. This finding is not consistent with apriori expectation hence we accept the null hypothesis that remediation cost has no significant effect on bank performance at all quantiles of firm performance variable distribution.

4.5 DISCUSSION OF FINDINGS

From the findings obtained above, we find that staff training cost has a statistically significant effect on bank performance in 25th, 50th, and 75th quantiles. This result is consistent with the views of Ezigbo (2011) who noted that banks should invest in training programs to make their employees competent enough to face uncertainties and take effective decision in time, in order to remain competitive in the market. Effective training is beneficial for bank staff in a variety of ways: it plays a vital role in building and maintaining capabilities, both on individual and organizational level. Our findings also align with the findings of Howard (2012), Shahazadi and Naveed, (2016) whose result show that there is a strong relationship between employee training and organizational performance with a strong view that employee training has a huge effect on organizational performance. On the variable of social donation, the result reveals that social donation has a significant effect on bank performance of earnings per share in 50th and 75th quantiles during the period under investigation. This finding is consistent with the views of Muhammad, Bushra and Tariq (2017), Shafat and Zameer (2018). This indicated that bank management are paying attention to issues on corporate social responsibility. But our findings negate the results of Najeb and Halaseh, (2017) Amidu, Yuanyuan and Brima, (2017) who posit that CSR does not generate economic benefits for the firms at least in the short-run. In terms of remediation cost the result obtained from the study reveal that cost on remediation do not have a statistically significant effect on bank performance for the various quantiles of the distribution. This finding contradicts that of Adediran and Alade, (2013) but was found to be consistent with the findings of Daniel, (2013).

We find that the result obtained from the variable of health and safety cost reveals insignificant effect on firm performance for the various quantiles of the distribution. This is a bit worrisome since we believe that satisfactory working conditions provide benefits of many kinds, and the beneficiaries are both direct and indirect. According to Mossink, (2002), the direct beneficiaries are the workers themselves, since they are the most affected by accidents, but also the firm, because it avoids losses and improves its profitability. The indirect beneficiaries are the consumers, families and society in general. Our finding does not align with those of Bestratén, (1996); HSE, (1997); Narocki, (1999); Rikhardsson and Impgaard, (2004) who noted that health and safety in the workplace benefits the organization because of the advantages of keeping its workers healthy and productive. All this can damage the organization’s value creation, and lead to a decline in the firm’s competitiveness, with a consequent loss of market position. Thus, preventing occupational risks is an essential element in business management, with important strategic implications for the organization.

SECTION FIVE

5.0 SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 SUMMARY OF FINDINGS

Based on the analysis of the data the following findings emerged:

i. Social donations have a significant positive effect on earnings per share of listed Deposit Money Banks in Nigeria at 5% level of significance on both 50th and 75th quantiles respectively

ii. Occupational Health and Safety Cost has no significant effect on earnings per share of listed deposit money banks in Nigeria at all quantiles of the performance variable distribution.

iii. Staff training cost has a significant positive effect on earnings per share of listed deposit money banks in Nigeria at 5% level of significance on all quantiles of the distribution.

iv. Remediation Cost has no significant effect on earnings per share of listed deposit money banks in Nigeria on all quantiles of the performance variable distribution.

5.2 CONCLUSION

In the course of carrying out this study, we discovered that management of listed banks in Nigeria have shown great response to CSR activities which is in recognition to their obligations to stakeholders and to the society with the aim of improving corporate reputations. However, this study evaluated the effect of corporate social responsibility and performance of listed deposit money banks in Nigeria. This study obtained data from annual reports and account and publications of the sampled deposit money banks that operated during the period; 2013-2023. In addition, the study specifically examined the effect of social donations, occupational health and safety cost, staff training cost and remediation cost on earnings per share. To determine the effect of the study variables on performance, quantile regression analysis was employed via STATA-14 statistical software. This study revealed that social donations and staff training cost have significant effect on bank performance at various quantiles while occupational health and safety cost disclosure, and remediation cost disclosure show no significant effect on earnings per share at all quantiles even at 5% level of significance.

5.3 RECOMMENDATIONS

Based on the findings and conclusion of this study, the following were suggested:

1. We recommend that managers should be mindful of the performance level in which they operate. This implies that actions or polices that relates to CSR activities should be matched with earnings performance level at all times.
2. Banks whose interest is to improve earnings per share should engage and expand its training and development capabilities of its work force. This has shown to be a significant driving force of earnings performance as revealed in this empirical study.
3. Since occupational health and safety cost revealed an insignificant effect on bank performance, we recommend that existing policies which the banks have employed over the years should be reviewed so that out of date and unproductive health and safety policies can be discarded.
4. Based on the significant positive effect of social donation on firm performance, we recommend that policymakers should continue to engage strategies and efforts in providing for social donations since it carries the potential of creating positive change for society and stakeholders too. These policies can be enforced at any performance level of earnings per share.
5. Based on the empirical findings, this researcher recommends that banks should review its existing strategies on remediation policies so as to conform with regulatory standards.

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