THE EFFECT OF CORPORATE GOVERNANCE ON CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE IN THE NIGERIAN PETROLEUM MARKETING INDUSTRY

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By

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ABSTRACT

The objective of this study is to assess the effect of corporate governance on corporate social responsibility disclosure in the Nigerian petroleum marketing industry from 2008 to 2012. The population of the study includes nine (9) oil-marketing companies quoted on the Nigerian Stock Exchange (NSE). However, the study utilized only seven (7) of the companies. The technique of data analysis adopted is the pooled OLS. The study made these findings among others; board composition, risk management committee composition, risk management committee meeting and blockholders ownership exhibit a significant positive relationship with corporate social responsibility disclosure of Nigerian petroleum marketing industry. While board meeting, risk management committee size and profitability reveal a significant negative relationship with corporate social responsibility disclosure in the Nigerian petroleum marketing industry. Consequently, the study recommends among others; that the board of directors of these petroleum-marketing companies should include corporate social responsibility disclosure programmes as part of their agenda to be discussed in the annual general meetings and also enlighten other stakeholders on the concept and its benefits when harmonized into the code of best practices. Findings of this study also support the importance of risk management committee in relation to corporate social responsibility in the oil marketing companies.

Keywords: Corporate social responsibility disclosure, Corporate governance, Petroleum marketing companies, Nigeria
ABSTRAK


Kata kunci: Pendedahan tanggungjawab sosial korporat, Tadbir urus korporat, Syarikat pemasaran petroleum, Nigeria
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CHAPTER ONE
INTRODUCTION

1.1 Background of the Study

Until the late twentieth century, businesses were considered as socially responsible where they obeyed the regulations or laws of the land and met the basic needs of their employees and the host community. Everything began in the United States of America in the twentieth century as it became a global phenomenon when corporate organizations in developed countries adopted it as marketing tool to win customers. How socially responsible corporation is, solely depends on the way and manner the principal actors go about its governance. Excellent corporate governance is the glue that holds an intelligent business practice and guarantees positive working environment management, natural stewardship, community engagements and strong financial performance, which help in restoring certainty and promoting economic growth (Branco & Rodrigues, 2006).

Today, corporate social responsibility (CSR) goes far past the old altruism of the past-giving cash to great purposes at the end of the budgetary year. Organizations acknowledge environment around them by participating in their nearby communities. Not only they concern on the quality and uniqueness of their brand names but also on how well they connect to the world (Clarke, 1998). Bowen (1953) notes that the objective of corporate social responsibility is to get knowledge regarding the organization's activity to stakeholders and support a positive effect through its activities, which push open interest, by empowering group development and improvement.
The contents of the thesis is for internal user only
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