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BUSINESS RESPONSE PATTERNS TO SUSTAINABLE DEVELOPMENT ISSUES: AN APPRAISAL OF CORPORATE SOCIAL RESPONSIBILITY INITIATIVES IN NIGERIA

Adeyinka Laninhun

University of Ibadan, Nigeria

In recent years, advocates of Corporate Social Responsibility (CSR) have argued that CSR should be a strategic engine for long-term corporate profits and responsible social development (Berkhout, 2005). The corporate world has therefore embraced sustainable development as the new paradigm of development. Due to this paradigm shift, some corporate organisations have redirected their CSR initiatives to focus on development issues. The basic assumption in this paper is that business as a social agent has both the economic and social power to set standards and targets that will respond to social demands and address development challenges of the 21st century. So, based on the stakeholder theory and The Natural Step Framework, the paper investigates business approaches to sustainable development issues in a developing society. Specifically, it highlights the extent to which selected organisations in the telecommunications, oil and gas, food and beverages, cement manufacturing and banking sectors have embarked upon responsible and sustainable activities in Nigeria. Moreover, challenges which affect effective implementation of CSR policies aimed at sustainability are revealed in this work .The paper concludes by advocating an integrated–transformative approach to CSR. The paper contributes to the on-going debate on social responsibility of business and sustainability agenda in developing economies.

Keywords: Corporate Social Responsibility, Sustainable Development, Shared Value, Innovation

Introduction

There is a growing global concern for sustainable development issues. It is believed that current sustainable world problems are human caused and only humans can take the needed action to remedy this (Clifton, 2010). In particular, the contribution of business to development problems has not gone unnoticed. According to Porter and Kramer (2011 p.4), "in recent years, business increasingly has been viewed as a major cause of social, environmental and economic problems. Companies are widely perceived to be prospering at the expense of the broader community." Abiola (2012) has also observed that there appears to be a sort of disconnect between company profitability/growth and socio-economic development. It is therefore not surprising that the "world is demanding that companies behave responsibly and look at how their positive impact on society can be maximized" (business.un.org/en/documents/9472).

Moreover, business is expected to fill the void that government has left behind. Hopkins (2007) notes that since governments and their International arms have failed in their attempts to rid the planet of under-development and poverty, large corporations with their power and economic strength have taken a dominant position in society. CSR is therefore now being advocated by Policy-makers as an alternative route to the public delivery of development (Frynas, 2005). In short, CSR is now viewed as a new corporate strategic framework for sustainable development (Berkhout, 2005). Hence, some corporate organisations have tried to re-direct their CSR initiatives to focus on development issues. But to what extent have businesses in Nigeria filled the development gap? How have they responded to the concerns of society?

This study assumes that business as a social agent has both the economic and social power to set standards and targets that will respond to social demands and address development challenges in the twenty-first century. The study therefore investigates CSR approaches to sustainable development issues in various business sectors in Nigeria. It examines how businesses in Nigeria address sustainable development issues. The following questions were examined:

1. How do businesses in Nigeria address sustainable development issues?
2. What challenges affect effective implementation of CSR policies aimed at sustainability?

Current Understanding of Corporate Social Responsibility

Definitions of corporate social responsibility have proliferated over the years. In fact, one of the arguments against CSR is that it lacks a universal definition; the concept is viewed from different perspectives. Indeed, there is a lot of misconception about the concept-some companies even use the terms sales promotion and corporate social responsibility interchangeably. It is therefore pertinent to have a clear understanding of what the CSR concept means in this study.

This paper considers three definitions which link corporate social responsibility with development.

The World Business Council for Sustainable Development (WBCSD) defines CSR thus: "Corporate Social Responsibility is the continuing commitment by business to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community at large" (WBCSD Report, 1999 p.3).

To the International Institute of Sustainable Development (IISD), "CSR should be seen as the way that firms –working with those most affected by their decisions (often called "stakeholders") –can develop innovative and economically viable products, processes and services within core business processes, resulting in improved environmental protection and social conditions" (Hohnen, 2007 p.2). The ISO 26000 Working Group on Social Responsibility, Sydney's contribution is also worthy of note. To the Group,

Social responsibility (is the) responsibility of an organisation for the impacts of its decisions and activities on society and the environment through transparent and ethical behaviour that is consistent with sustainable development and the welfare of society; takes into account the expectations of stakeholders; is in compliance with applicable law and consistent with International norms of behaviour; and is integrated throughout the organisation (Hohnen, 2007 p.4).

These definitions suggest that CSR is an integral part of sustainable development as well as business. They do reflect the paradigm shift in CSR discourse.

The focus of the traditional concept of CSR was corporate philanthropy. As Bitcha (2003 p.8) asserts, "In its conventional form, corporate social responsibility is seen as profitability plus compliance plus philanthropy". However, in current thinking, CSR is the social pillar of sustainable development (Ebner and Baumgartner, 2006). Also referred to as "corporate conscience", CSR is considered as the engine for social progress as it helps companies to live up to their responsibilities as global citizens and local neighbours (WBCSD, 1999). Companies are expected to engage with stakeholders for long-term value creation.

Apart from CSR being a catalyst for attaining sustainable development goals (Laninhun, 2010), CSR is also considered as a form of investment and a differentiation strategy (McWilliams and Siegel, 2001). Moreover, CSR is currently translated as 'best practices'. This means a rigorous assessment and management of a company's impacts across the entire business from the point of material supply to product disposal (Lowe and Porrit cited in Bichta, 2003).

The European Union (2011) identifies five instruments that make up an evolving and increasingly coherent framework for CSR:

- OECD Guidelines for multinational Enterprises
- The 10 principles of the UN Global Compact
- ISO 26000 Guidance Standard on Social Responsibility
- UN Guiding Principles on Business and Human Rights
- International Labour Organization Tripartite Declaration of Principles concerning Multinational Enterprises on Social Policy

An additional instrument is the Global Reporting Initiative (GRI)
These instruments are embedded in the new concept of corporate social responsibility.

Visser (2011)'s contribution to CSR discourse is quite significant. He advocates a new approach to corporate social responsibility which he calls Transformative CSR (CSR 2.0). According to him, Transformative CSR "focuses its activities on identifying and tackling the root causes of our present unsustainability and irresponsibility, typically through innovating business models, revolutionising their processes, products and services and lobbying for progressive national and international policies" (p.21). It is not an after-thought but a way of doing business and sustaining a long-term competitive advantage. Making a positive contribution to society is the essence of CSR 2.0 This approach is based on five principles namely, Creativity (that is, innovation); Scalability (impact and scope-not one-off); Responsiveness (collaboration and partnership); Glocality (think global but act local); Circularity (correction of the flaws of the commercial systems in operation), (Visser, 2011).

Concept of Sustainable Development

Sustainable Development is currently embraced as the new paradigm of development. Sustainable development is a term that has been gaining ground among business leaders since the 1992 UN Earth Summit in Rio de Janeiro (Magretta, 1997). There are several definitions of sustainable development. However, the traditional and most often cited definition of sustainable development is "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (World Commission on Environment and Development, 1987). This means ensuring that today's growth does not jeopardise the growth possibilities of future generations.

Sustainable development rests on three pillars- economic growth, ecological balance, and social progress (WBCSD, 1999). In short, sustainable development is about reaching a balance between economic, social, and environmental goals as well as people's participation in the planning process in order to gain their input and support (Sneddon et al.,cited in Saadatian, Tahir & Dola, 2010). This implies that meeting future needs requires a balance in economic, social and environmental objectives when making CSR decisions. The EU states that sustainable development "offers a vision of progress that integrates immediate and longer-term objectives, local and global action and regards social, economic and environmental issues as inseparable and interdependent components of human progress" (European Commission, 2011). Some of the sustainable development challenges or issues to be addressed by business include poverty, social exclusion, governance, threats to public health, climate change, energy consumption, waste production, management of natural resources, loss of biodiversity, and ecosystem integrity.

Considering the characteristics of the two concepts-CSR and sustainable development-Ghiga and Ghiga (2006) concluded that CSR and sustainable development are tangent concepts. Specific elements of sustainable development (People-Planet-Profit-that is, the triple bottom line) are used in CSR programmes as well. In most cases, causes promoted through CSR programmes are the origin of complex sustainable development programmes. Both concepts are used by companies to promote a general interest cause and, at the same time, to obtain a "benefit" for the company-represented by profit increase or a better image of the company.

Corporate Social Responsibility and Business

Advocates argue that CSR is about the core of what a business does and how it does that and what it sells which is of value that helps to meet unmet needs (www.businessdayonline.com). Hopkins (2007) believes that CSR is a powerful tool for reducing the excesses of the private sector while, at the same time ensuring profitability. He notes that "CSR movement has shown companies that their responsibilities do not lie purely in making profits, what is important is **how** profits are made" (emphasis mine).So, the WBCSD's basic message has always been: business is not divorced from the rest of society-the two are interdependent (WBCSD, 2000).

Both business and society are expected to benefit from CSR. While businesses are expected to add value to their communities; be centrally involved in the setting of standards and targets for environmental protection (Newell.2000); and be involved in the protection of biodiversity and ecosystem services (Overbeek, Harm & Van den Burg, 2013), a strategic approach to CSR is expected to bring benefits to business in terms of risk management, cost savings, access to capital, customer relationships, human resources management and innovation capacity (EU, 2011). Some of the drivers pushing business towards CSR include: the shrinking role of government; demands for greater disclosure; increased customer interest; growing investment pressure; competitive labour markets; and supplier relations (IISD, 2013).

Business approaches to development issues have also indicated a paradigm shift. While old business places profits before principles and shareholder interests above those of society as a whole, new businesses recognize the link between profit and principles and demonstrate accountability to all stakeholders (Roddick, 2000). The current viewpoint on the role of business in society is that businesses need to be socially aware, take into account stakeholder interests and add value to their local communities. It is no wonder therefore that CSR has emerged as a significant issue in the global business community and is now viewed as fundamental in the way companies conduct their business. Contemporary businesses are however expected to "address economic prosperity, social equity, and environmental integrity before they can lay claim to socially responsible behaviour and sustainable practices (Montiel: 2008 p.260). The prerequisite for meeting social responsibility is spelt out in the renewed EU Strategy 2011-2014 for CSR thus:

To fully meet their corporate social responsibility, enterprises should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders, with the aim of maximising the creation of shared value for their owners/shareholders and for their other stakeholders and society at large; identifying, preventing and mitigating possible adverse impacts.

In a nutshell, corporate social responsibility should be a key component of business activities, an integral part of business operations.

Theoretical Framework

This study is anchored on the Stakeholder theory and The Natural Step (TNS) Framework.

The Stakeholder Theory

In literature, Stakeholder theory is recognized as the dominant paradigm in corporate social responsibility. Branco and Rodrigues (2007 p.5) argue that "the stakeholder perspective has become something which is inescapable if one wants to discuss and analyse CSR. Hence, many works in the area of business ethics and social responsibility issues have largely drawn on stakeholder theory (For example, Branco and Rodrigues, 2007; Garriga and Mele, 2004; Margolis and Walsh, 2003; Eweje, 2006; Brower and Mahajan, 2013; and Amujo, Laninhun, Otubanjo & Ajala, 2012).

The stakeholder theory, propounded by Edward Freeman (1984), holds that "a socially responsible firm requires simultaneous attention to the legitimate interests of all appropriate stakeholders and has to balance such a multiplicity of interests and not only the interests of the firm's stockholders" (Garriga and Mele, 2004 p.60). In other words, the goal of a company should not just be maximizing shareholder wealth. Rather, a responsible company should pay attention to the interests and well-being of all stakeholders, identifying opportunities that would benefit both the company and the society. It is believed that developing mutually beneficial relationships with stakeholders is the key to an organization's capacity to generate future wealth (Brower and Mahajan, 2013 p.315).

The Natural Step Framework

The Natural Step (TNS) was developed by Karl-Henrik Robert in 1989. According to Robert (2000), "The TNS framework provides the general public, the scientific community and decision makers in business and politics with a mental model that makes it possible to plan and evaluate activities from a future sustainability perspective".

The TNS framework is used for dialogue, problem-solving and strategic planning. TNS enables an organisation to integrate business development with sustainability.

One of the core concepts in TNS framework is backcasting- that is, looking at the current situation from a future perspective. The big question raised is: What shall we do today to reach that vision of success? The concept of backcasting is central to a strategic approach to planning for sustainable development and innovation. It entails the following steps:

1. Beginning with the end in mind (having a vision).
2. Moving backwards from the vision to the present.
3. Moving step by step towards the vision.

(www.naturalstep.org/en/backcasting)

Backcasting is a complement to forecasting. It is particularly relevant when dealing with complex problems and when today's trends are part of the problem (Holmberg and Robert, 2000). Moreover, "backcasting prevents people from developing strategies that just solve the problems of today" (www.naturalstep.org/en/abcd-process).

This study examines the extent to which businesses in Nigeria have applied the principles of the stakeholder theory and the TNS model in ensuring a strategic response to sustainable development issues.

Methodology

This study adopted the qualitative method of research. Data were sourced largely through document observation. Data were gathered through oral and documented interviews as well as corporate websites.

The following documents were consulted:

- Company Reports of the selected companies- These include 2012 Annual Reports, 2012 CSR/Sustainability Reports as well as CSR newsletters published in 2012& 2013
- Business/Media Reports
- Nigeria Social Enterprise Reports (2010, 2011 & 2012 Reports)

The *Nigeria Social Enterprise Report (NSER*) is an annual publication on social responsibility and sustainability published by TruContact Ltd.

This method is considered appropriate because most organisations now promote their CSR activities through their websites and in their annual reports (Montiel, 2008). Moreover, some previous studies have depended on secondary sources in their analysis. We and Choi (2008) and Overbeek et al. (2013) also examined companies' CSR activities through corporate websites.

The thematic method of analysis was employed in the study.

Rationale for Selection of Companies:

Despite the fact that interest for CSR has increased continuously in the world (We and Choi, 2008: 33), literature on CSR discourse in developing countries seems limited (Idemudia, 2011).

The present study therefore investigates CSR initiatives in five different sectors of the economy: Oil and Gas; Telecommunications; Food and Beverages; Cement Manufacturing: and Banking. A company was selected from each sector, making five companies in all. The purposive sampling technique was used in selecting the sectors and companies. The companies selected are leaders in CSR initiatives in Nigeria. They are also award-winning companies. They therefore serve as role-models.

The following multinational companies (all SERA awardees were chosen for the study:

1. **Lafarge Cement WAPCO Nigeria Plc.-** Most Socially Responsible Company of the Year 2013 (SERAs 2013)
2. **Nestle Nigeria Plc.-** Best Company in CSV Performance in Nigeria (SERAs 2012) ; Best Company in Environmental Sustainability 2013 (SERAs 2013)
3. **Shell Petroleum Development Company of Nigeria (SPDC)-** Best Company in Education-focused CSR 2013 (SERAs 2013)
4. **MTN Nigeria**- Best Company in Community Infrastructural Development; Best Company in Partnership for Development (SERAs 2012)
5. **Guaranty Trust Bank (GTB)-** Most Socially Responsible Company of the Year 2012; Best Company in Child-focused CSR (SERAs 2013)

On SERAs:

The Social Enterprise Report and Awards (SERAs) is a project of the TruContact Ltd in collaboration with the Nigerian Institute of Public Relations (NIPR). It is endorsed by the Federal Inland Revenue Service (FIRS) and Standards Organisation of Nigeria (SON).

The (SERAs) are designed to promote growth, sustainable development and livelihoods in Nigeria by recognising and rewarding corporate organisations as well as individuals who have contributed to social transformation in Nigeria. The award process involves call for entries/nominations by the public, submission of entries by participating organisations, and field trips to cited CSR project locations (to monitor and verify claims made by participating organisations). The final selections are done by a panel of judges made up of eminent Nigerian professionals with impeccable records (*Nigeria Social Enterprise Report*, 2010 pp.10-11).

Findings and Discussion

Findings have revealed the CSR approaches adopted by selected multinational companies in Nigeria. **The Business response patterns** that emerged are now discussed.

1. Making CSR an Integral Part of Business

Analysis reveals that in all the five companies studied, CSR is considered as a key component of business; it is not an add-on. CSR is a business philosophy, a business strategy and not just philanthropy. CSR activities are therefore linked to core business interests. As stated in the Guaranty Trust Bank (GTB) 2013 CSR newsletter, “At GTB, CSR is a key component of our business strategy”. This finding aligns with current thinking that “Corporate social responsibility is a ‘business paradigm’, a culture that should permeate all facets of business decisions. It is a way of life - the “how” of how we do business” (Amaeshi, 2012 p.54).

2. Having a CSR Focus and Sustainable Development Commitment

The selected companies are all focused. While GTB’s CSR focus areas are Community Development, Education, Environment, and Arts, Nestle focuses on Nutrition, Water and Rural Development. For Shell Petroleum Development Corporation (SPDC), the areas of focus are Education, Energy, Environment and Community Development. Lafarge’s focus areas are Health and Safety; Education and Youth Development; Shelter and Basic Infrastructure. MTN Nigeria focuses on Economic Empowerment, Education, and Health.

Moreover, the companies all have a commitment to sustainable development. For instance, GTB has had an Environmental and Social Management System (ESMS) policy since 2002 *(GTB Annual Report 2012).* In an Interview with the SERA team, Segun Agbaje, the Managing Director and Chief Executive of GTB opines that “We are probably in the forefront as a financial industry that is embracing sustainability the way we have”. He states further that “Banks have transited from being just profit-making organizations and have started to take on a developmental role” while noting that “GTB has for years stopped looking at shareholders and has started looking at its stakeholders” (*NSER*, 2012 pp.89-90).

Also, “For many years, Lafarge has been committed to a deliberate strategy of sustainable development that combines industrial know-how with performance, value, creation, respect for employees and local cultures, environmental protection and the conservation of natural resources and energy” (*Lafarge Cement WAPCO 2012 Annual Report* p.6). Shell’s commitment to sustainable development is reflected in this statement: “For us, sustainable development means helping to meet the world's growing energy needs in economically, socially and environmentally responsible ways. We embed these aspects in our business decisions". (www.shell.com.ng/environment-society/sustainable-development-tpkg.html).

3. Providing Solutions to Sustainable Development Challenges through Business and Product Innovation.

The CSR activities of the selected multinational companies suggest that these companies have become drivers of innovative solutions. Their response initiatives have demonstrated that embracing CSR and sustainability can foster significant product, process and business innovation as Tragakis (2012) has rightly observed. Kanter (cited in Tragakis, 2012:41) has also noted that companies which practice corporate social innovation "view community needs as opportunities to develop ideas and demonstrate business technologies, to find and serve new markets, and to solve long-standing business problems".

Some of the innovative ways in which the companies have tried to address sustainable development issues are discussed below:

Nestle Nigeria

Nestle adopts the Creating Shared Value (CSV) concept. The principle of shared value "involves creating economic value in a way that also creates value for society by addressing its needs and challenges" (Porter and Kramer, 2011 p.4).

- Micronutrient fortification initiative of Nestle:-Two billion people-nearly one-third of the world population-suffer from deficiencies in Iron, Iodine, Vitamin A, Zinc or a combination of these. In Nigeria, children and pregnant women are mostly affected (*Nestle CSV 2012 Report*). In response to this challenge, Nestle Nigeria produces Iron and Iodine fortified Maggi cubes (bouillon cubes and seasonings); Iron and Vitamin A fortified Golden Morn cereals; fortified infant cereals (Nutrend and Cerelac); Zinc fortified pure life water. It also cross-breeds plant varieties rich in micronutrients with varieties that have a high yield; for example, cassava rich in Vitamin A is being bred in Nigeria.

- Nestle also ensures sustainable water resources management. The company installed a connection that makes it possible for all surplus water from the Nestle Waters deep well is used by its plants leading to a reduction in the water ratio. In 2012, there was a 388,145m^3 total water reduction in water use in Nestle factories. This is equivalent to a 22% drop (*Nestle CSV Report, 2012).* Nestle is also continuously reducing its environmental footprints in Nigeria.

- In an interview with the present researcher, Samuel Adenekan, the Communication and Public Affairs Manager of Nestle, revealed that Nestle is the first company in Nigeria to fortify Maggi bouillon cubes and seasonings, the first to produce zinc fortified water and the single largest producer of bottled water. He affirms the need for companies to reconnect business success with social progress. He believes societal issues should be the core not at the periphery of business.

Guaranty Trust Bank (GTB)

GTB has tried to reduce the impact of its business operations on the environment. GTB implemented Energy Efficiency Solutions as part of the Bank's contribution to mitigating the effect of climate change in our environment. As part of the Bank's efforts in transiting to a low carbon economy (reduce emissions), the Bank currently uses solar energy to power 35 GTB e-branches in different locations. GTB replaced 70% of all sodium vapour light bulbs in all its branches thus ensuring a safe environment.

Shell Petroleum Development Corporation (SPDC)

Shell (SPDC) has put in place policies and initiatives that will minimize the impact of its operations. For instance, SPDC is focusing on renewable energy- biofuels. It is shifting business emphasis into cleaner sources of fuel like gas. The company pioneered Liquefied Natural Gas (LNG). SPDC is also reducing flaring. In 2012, flaring emissions were down by around 25% in Nigeria from the previous year to 4.6 million tonnes of CO_2 equivalent *(Shell 2012 Sustainability Report)*.

Moreover, SCC Nigeria Ltd under a $37m contract with SPDC manufactured the country's first carbon steel pipes for use in construction of Trans Niger Pipeline. SPDC operates an industrial plant to recycle the plastic bottles churned out within its industrial areas; also provided easy-to-use recycling equipment in its workplace. The company is an active member of the Alliance on Cook-Stoves- a global multi stakeholder initiative that seeks to address the challenges of indoor pollution associated with traditional cooking methods.

SPDC implements the Cradle-to Cradle initiative, an innovative scholarship initiative that provides access to quality education for underprivileged children in remote communities of the Niger Delta; and also the Niger-Delta Postgraduate Scholarship programme which addresses the shortage of local talents in the oil and gas industry- the company sponsors ten candidates annually to three top universities in the United Kingdom. SPDC has about 68 sustainable development clubs in various schools in Nigeria. Children are taught how to re-use materials for artwork. This is to sensitize children to sustainable development issues. This is a catch-them-young approach.

Lafarge Cement WAPCO

Lafarge uses alternative fuels such as non-fossil fuels and biomass in its cement plants. The company's efforts at carbon footprint reduction have yielded results. In 2012, Lafarge reduced its CO_2 emissions (24.7% reduction of CO_2 emissions per ton of cement) (*Lafarge Sustainability Report 2012)*. Probably in response to the challenge of incessant/increased collapsed buildings in some major cities in Nigeria, Lafarge has developed solutions designed for specific parts of buildings such as foundations, floors and walls.

MTN NIGERIA

MTN ensures that recharge cards and other disposables used by subscribers are bio-friendly. This aligns with MTN's commitment to support the emergence of a greener environment in Nigeria. The group successfully leveraged social media to provide customer service, and the first to provide services to specific customer requests via Twitter (*MTN Integrated Report, 2012)*.

1. Implementing CSR Initiatives through Partnerships

Partnerships offer a tangible mode of business-society relationships (Muthuri, Moon and Idemudia, 2012); they do facilitate the implementation of CSR policies.

Nestle

Working with the International Institute of Tropical Agriculture (IITA), Nestle is training farmers in Nigeria to follow simple practices that reduce the risk of damage from mycotoxins and increase yields, quality and price.

Lafarge

In partnership with players all along the construction chain, Lafarge creates solutions and services that will help meet the enormous challenges of cities. Lafarge Nigeria partners the French Development Agency and LAPO Micro-finance Bank on the N1.3bn low-cost housing schemes targeted at low-income earners. Lafarge also partners Self-Reliance Economic Advancement Programme (SEAP) a Micro Finance Institute in its youth empowerment programme.

GTB

The Orange Ribbon initiative of GTB supports children with Autism Spectrum Disorders (ASD). In 2012, GTB partnered with Blazing Trails International Center, Lewisville, Texas, USA to deliver consultation services to children living with ASD. The bank also partners with Students in Free Enterprise (SIFE) Nigeria on its waste to energy Bio-gas project. SIFE is an organisation that provides university students with the opportunity to make meaningful contribution to their communities and also discover their potential to achieve greater impacts as entrepreneurs and business leaders of tomorrow.

SPDC

SPDC supports the Nigerian Institute of Welding to establish a testing centre in Benin, Edo State with the aim of training welders needed by the Industry. More importantly, SPDC partners with government to tackle oil theft and illegal refining in the Niger Delta. Oil spillage is also a major problem in Nigeria.

MTN

In 2012, MTN partnered with Nigeria Inter-Bank Settlement System (NIBSS) to help the Central Bank of Nigeria (CBN) realise its cashless policy in Lagos. The MTN solution involves providing 80,000 SIM Cards to NIBSS and supporting NIBSS to roll out effective point of sale (POS) services at markets and shopping malls in Lagos, Nigeria (*MTN Sustainability Report, 2012).*

2. Adhering to Good Corporate Governance Principles

Good corporate governance is an integral part of sustainable development. It helps companies to create value. All the selected multinational companies have codes of Business Conduct. They all adopt internationally recognized principles and guidelines.

GTB

GTB's guiding principles (the Orange rules) are Simplicity, Professionalism, Service, Friendliness, Excellence, Trustworthiness, Social Responsibility and Innovation. GTB is one of the drafters and signatories to the Nigerian Sustainable Banking Principles. In 2012, the bank became a signatory member to the UN Environmental Programme Finance Initiative on Sustainable Development (UNEPFI). It is also a member of the Convention on Business Integrity. GTB complies with the code of corporate governance for public companies issued by the Securities Exchange Commission (The SEC Code) as well as the code of corporate governance for Banks in Nigeria Post Consolidation issued by the Central Bank of Nigeria (The CBN Code). The bank is an organisational stakeholder at the Global Reporting Initiative (GRI).
Lafarge

The Lafarge philosophy known as the Principles of Action was formalized from the company's core values which are Respect, Care and Excellence. In 2012, Lafarge launched its Sustainability Ambitions 2020 with 34 ambitions organized around the three main pillars of sustainable development. The company adopts the eight golden rules of Industrial Ecology Policy. It ensures health and safety of all employees and contractors within its employ. For example, members of staff undergo routine health examinations for early detection of occupational and other diseases and to facilitate early interventions.

Nestle

Creating Shared Value is the basic way Nestle does business. Nestlé's Corporate Business Principles incorporates the Principles of UN Global Compact. Nestle policy on Environmental Sustainability ensures every Nestle factory uses the Nestle Environmental Management System which is fully aligned with ISO 14001: 2004. The company is a stakeholder at the Global Reporting Initiative.

SPDC

SPDC's General Business Principles are based on these core values: Honesty, Integrity, and Respect for people. The company uses a Global Memorandum of Understanding (GMoU) model to formalize its community contributions. It is a stakeholder at the Global Reporting Initiative.

MTN

MTN's values are Integrity, Leadership, Relationships and Innovation. MTN supports UN Global Compact. It complies with International laws and agreed principles on human rights. The telecommunications' company has a policy on employee health and safety. All MTN operations have access to International SOS (ISOS) and Control Risks Group (CRG)'s partnership with

MTN. The group conducts business activities in full compliance with the applicable laws in the country of operation (www.mtn.com).

3. Engaging with Stakeholders

Stakeholder Engagement refers to collaborative relationships with stakeholders. "The process of engagement creates a dynamic context of interaction, mutual respect, dialogue, and change which allow socially responsible business to achieve lower costs, higher revenues, improved reputations, lower risks, and ultimately benefit shareholder value" (Bichta, 2003 p. 8).

Nestle

The Nestle Healthy Kids initiative is targeted at 8-10 year-olds. The programme is aimed at improving dietary and sanitary practice that affects pupils' health, growth and intellectual development. Nestle has held several formal stakeholder events and consultations. Events held in Lagos, Nigeria in 2012 include CSV Forum targeted at expert stakeholders. Project WET (Water Education for Teachers) Train-the-Trainers Workshop; Responsible Sourcing Workshop for Nestle suppliers and vendors held on Nestle Vendors' Day; and CSV Media Workshop for Journalists. There was proactive engagement with environmental journalists, special interest groups, and government during the World Environment Day. In 2013, Nestle Nigeria broke the world record for its longest breakfast cereal table in Ibadan, Nigeria. The event was aimed at informing people in Ibadan about the importance of breakfast. There is also Day-to-Day engagement across markets.

SPDC

The GMoU model enables SPDC to engage more effectively with stakeholders. Research has shown that some host communities are not satisfied with the scale of development initiatives if they were not consulted before the projects were introduced (Eweje, 2006). In 2012, Shell organized several events to engage with socially responsible institutional investors. Shell also hosted a visit to Nigeria to review the difficult operating environment and the large-scale oil-theft occurring in parts of the Niger Delta.

Lafarge

In 2012, Lafarge launched the Block Makers Empowerment Project to help willing and committed block makers to either start up or expand their businesses. Also launched was the Lafarge Technical Apprenticeship Scheme geared towards improving the technical skills of young school leavers from the community. Lafarge involves communities at all stages of its projects-from conception to implementation. The company has community development committees at each of its plants.

GTB

Programmes and projects are products of interaction with and needs assessment by relevant stakeholder groups in GTB host communities (www.gtbank.com/corporate-citizenship/). The bank also engages with customers on the social media-Facebook, Twitter and Google+. In 2012, GTB held an educative conference to enlighten caregivers, parents and the general public on the Autism Spectrum Disorders.

MTN

MTN engages with stakeholders in various ways. Forms of stakeholder engagements include in store face-to-face engagements with customers; engagements with customers on social media platforms; interface with regulators; stakeholder presentations to share market insights; and MTN Academy (staff training and development).

4. Setting up Employee Volunteering Initiatives

Employee volunteering, which is regarded as a means of improving community and employee relations, is premised on norms of cooperation and reciprocity (Muthuri, Matten & Moon, 2009). However findings seem to indicate that business is yet to fully explore the potential of this CSR strategy.

GTB's Orange volunteer programme is a CSR initiative targeted at students. The Orange After-School Preparatory Classes is a coaching class organized for students preparing for their national examinations. The classes are being coordinated and taught by GTB staff volunteers. Similarly, Y'ello Care, an MTN Group staff volunteerism initiative provided education support to students in 2012. Lafarge launched its Employee Volunteer Programme in September 2012. Tagged, Lafarge Friends of Community (Lafarge FOC), the programme is designed to encourage employees invest in local projects.

Challenges in the implementation of CSR policies

Findings further revealed the challenges which business face in the implementation of corporate social responsibility policies in Nigeria. Some of the challenges identified are infrastructural deficit, power/energy, security and corruption.

Mutiu Sumonu, Country Chair, Shell Companies in Nigeria and Managing Director of SPDC disclosed in an interview with the SERA team that the challenge faced in embedding sustainable development in the Nigerian environment, has less to do with culture and more to do with the level of poverty in the society. He explains that the "present is more important to someone who is struggling to put three square meals on the table than the future" (*NSER, 2013 p.83*). This challenge probably informed SPDC's establishment of Sustainable Development Clubs in schools.

Another challenge has to do with the hostilities of host communities. For instance, Shell's operations in Nigeria have often been disrupted due to oil spillage/sabotage (damaged pipelines).The problem of oil theft and illegal refining in the Niger Delta has been of great concern to both SPDC and Government. It is estimated that these criminal acts accounted for around 85% of the volume of oil spilled from SPDC facilities (*Shell 2012 Sustainability Report*). Research has however shown that corporate social irresponsibility depletes goodwill as unwholesome activities of some multinational oil companies do influence stakeholders' perception of the image and reputation of those firms (Amujo et al., 2012).

There is also the challenge posed by the action or inaction of Government. In his assessment of the implementation of the Global Memorandum of Understanding (GMoU) by Chevron and Shell on sustainable community development in host communities in Nigeria, Aaron (2012) argues that the potency of the GMoU for sustainable development is hampered by a number of old challenges which include the enormity of development challenge in the Niger Delta region "thrown up by the failings of an absentee State". He submits that the way out is for the State to play a lead role while corporations and NGOs offer complementary roles. In other words, government needs to provide the enabling environment for business to survive.

In an interview with this researcher, Samuel Adenekan also identified meeting the ISO 26000 standard and inadequate knowledge/understanding of Creating Shared Value (CSV) concept as challenges. He also expressed concerns about the curriculum of CSR in schools. Nestle Nigeria has held workshops on CSV as part of its public enlightenment efforts.

Conclusion and Recommendations

This work has revealed the extent to which leading multinational firms in Nigeria-Nestle Nigeria, Shell Petroleum Development Corporation (SPDC), Guaranty Trust Bank (GTB), MTN and Lafarge Cement WAPCO Nigeria, Plc. have responded to sustainable development issues. Responses have been both reactive and proactive. For instance, while SPDC's adoption of the GMoU model is reactive, Lafarge's Sustainability Ambitions 2020, is proactive. Findings have revealed how these companies have tried to avoid, minimize, and correct negative consequences of their operations, while trying to make profit.

Findings confirm a paradigm shift in CSR practice in Nigeria. All the companies examined are committed to sustainable development. They have a modern understanding of corporate social responsibility. They view CSR as a business strategy rather than philanthropy. Their CSR initiatives have gone beyond charity, donations or gifts. There are indications that some multinational firms in Nigeria have begun to embrace the principle of shared value. Through business and product innovation, partnerships, volunteerism, stakeholder engagements and adherence to the standards of good corporate governance, the companies have been able to address sustainable development issues in Nigeria. They have to some extent filled the gap created by government inaction.

Moreover, findings do not agree with Friedman (1970) that the one and only social responsibility of business is business. Rather, the work confirms that the role of business is to create social value and in line with the stakeholder theory, some businesses have come to learn and understand that they have an obligation to stakeholders other than shareholders (Eweje, 2006).The study also affirms Montiel (2008)'s assertion that sustainable firms take into account stakeholder interests and become involved with their local communities. Findings are also consistent with Iannarone (2012:23)'s thinking that the business response to sustainability challenges is no longer seen as just about reputation risk management or compliance. Leading companies she observes, now see societal challenges as a market opportunity and platform for innovation. Findings thus confirm that The Natural Step framework is applicable to CSR practice.

In agreement with Sunmonu (NSER, 2012), the paper therefore submits that sustainable development should be seen as an essential ingredient of business and must be integrated into the business decision making process. Moreover, business needs to embrace the principles of shared value by re-conceiving products and markets; redefining productivity in the value chain; and building supportive industry clusters at the company's locations (Porter and Kramer, 2011).

In view of the fact that many companies still pay lip service to CSR (Egbas, 2012), the paper recommends a new holistic CSR approach in the 21st century. Businesses, irrespective of size, need to adopt the new concept of CSR as demonstrated by the role models studied in this work. To this end, this paper advocates an integrated transformative approach to CSR. This is what Visser (2011) refers to as Transformative Corporate Sustainability and Responsibility (CSR 2.0).

The foregoing suggestion calls for a review of CSR policies in the corporate world. There is no doubt an urgent need for a re-orientation in CSR practice as practitioners and scholars need to be acquainted with the modern concept of CSR. As Thumm (cited in Oku and Atilade, 2012:156) rightly observes, corporate responsibility will never be successful without being seen from a Systematic, Worldwide, Integrated, Transparent, Collaborative and Holistic (SWITCH) perspective. Hence, this paper further recommends training and re-training of public relations/ corporate social responsibility practitioners. A review of CSR curriculum in schools has also become imperative.

Limitations and Future Research

This study has focused on award-winning multinational firms, hence findings cannot be generalized. It is hoped that further research will be carried out on SME's response patterns to sustainable development issues. Moreover, corporate social responsibility initiatives reported in this work are not representative of the efforts of the selected companies. Only highlights of their CSR activities are presented in this study. The companies have certainly done more than are reported in this paper. Despite these limitations, the study has contributed to the "CSR" debate; it has thrown light on **how** corporate social responsibility should be practised in contemporary society.

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