



## ***Contributions of Corporate Social Responsibility Practices to National Development in Nigeria: The MTN Nigeria Experience***

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### **Abstract**

It is generally believed that no matter how benevolent, a government alone cannot provide all the needs of its citizenry. The development of a nation is therefore perceived as the joint responsibility of government the citizenry and corporate organization. This paper examines the contribution of Corporate Social Responsibility (CSR) to national development. Secondary data from the CSR report with emphasis on the various portfolios was reviewed. Ratio analysis was

used to estimate the percentage of the CSR expenditures for the portfolios (health, education and economic) and comparative analysis was used to make comparisons. The study revealed that MTN, Nigeria embraces CSR as it has even established a foundation with financial backbone contribution of 1% profit after tax to improve the quality of life in areas of health, education and economic empowerment. The study concluded that CSR could be a potent vehicle for national development in Nigeria and drawing from the experiences of developed nations, it was recommended that government at all levels should provide appropriate legal and regulatory framework that would make organization proactive in CSR. Collaborative and partnership effort between public and private sector should be encouraged to develop the nation

**Keywords:** Corporate social responsibility, National development, MTN Nigeria, Telecommunication industry, Social advancement.

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The business of the twenty first century irrespective of its size is going to be part of the global business community affecting and being affected by social change, events and pressures from around the world. This is so because the business environment is changing, dynamic, turbulent, discontinuous and highly competitive. Thus its stakeholders are likely to be more numerous, diverse and important to its success. The discourse of corporate social responsibility (CSR) has assumed great importance globally and Nigeria with no exception. CSR has over the past decades greatly evolved both in concept and practice mostly due to the ever changing society. In this period, the relationship between business and society has changed radically. Key drivers of this change have been globalization of trade, increased size and influence of corporations, the repositioning of government and the rise in the strategic importance of stakeholder relationships, knowledge, and brand reputation. Advocacy has increased in the mass media for corporate organization to take a greater responsibility for the development of society by adopting best practices in the CSR initiative

It is generally believed that world over that no matter how benevolent, a government alone cannot provide all the needs of its citizens, the development of the economy of any nation is therefore perceived as the joint responsibility of the government, the citizenry and corporate organizations operating within its boundaries. It is quick to note that economic development is economic growth in other sectors of human endeavors i.e. education, healthcare, security, adherence, to the rule of law etc. Currently, the various sectors of the Nigerian economy are virtually in a state of comatose and the situation in the country's health sector and education sector is no different. The Nigeria Core Welfare Indicators study (National Bureau of Statistics, 2006) revealed that access to secondary and primary school in the rural areas of Nigeria was 37.5% and 71.9%, respectively. Similarly, access to health was 47.8% while access to Safe water source was 40% in the rural areas.

Furthermore, inadequate instructional materials and laboratory equipments coupled with outdated library books in most cases. The phenomenon of brain drain for example is a factor here as World Bank (2000) estimates that 30,000 African PhDs live outside the continent even as over 60% of immigrants from Africa to the west have university education and the continent has lost one third of its skilled professionals to mostly developed countries in recent years. Kar-yuihong and Chong keeyip (1999) argues that because the engine of economic growth is human capital and other intergenerational externality, the brain drain has an adverse impact on present growth and income distribution and the welfare of future generations of non-migrants.

The health sector is also faced with myriad of challenges, for example most government hospitals across the country do not have modern equipment or even drugs to dispense to patients. Poor nutrition and bad health contribute not only to physical suffering and mental anguish but also low labor productivity. A mother malnourished during pregnancy and inadequate food during infancy and early childhood may lead to diseases as well as deficiencies in a child's physical and mental development. Future productivity is thereby impaired even as malnutrition and disease among adults sap their energy, initiative, creativity and learning ability which invariably reduce work capacity. The implication of this is that good health and nutrition are intertwined with a country's social and economic development.

It is the contention of this paper that in spite of the failure of the government to provide necessary impetus for the sustenance of the education sector as enumerated above the CSR phenomenon which is gradually gaining prominence globally can serve as an avenue for developing the nation. Boatright (1993) opined that CSR started to feature prominently in public debate in the wake of increasing social problems such as poverty, unemployment, race, gender and religious discrimination, and pollution. These social problems are natural outcome of continuous transformation in the market due to economic globalization, technology revolution as well as demographic and political changes. The core idea behind CSR is the promotion of business orientation that takes stakeholder interest into account (Maigan, 2005). It is of the society and as such ought to contribute positively to social goals and aspirations (Jones, 2005). CSR is a deliberate decision making and the honoring of a triple bottom line which are people, planet and profit because it involves integration of three dimensions which emphasizes that organizations don't only have one objective, profitability but that they also have objectives of adding environmental and social value to the society. (Harpeet 2009).

Thus, it is reasoned that CSR activities can complement the activities of the government towards the development of the education sector. It is against this foregoing background that this paper examines the contributions of CSR activities to development of the nation by firms in Nigerian telecommunication industry with particular emphasis on MTN, Nigeria.

## 1. STATEMENT OF THE PROBLEM

Little research exists on CSR in Nigeria and most of them concentrate on multinational oil companies in Niger-Delta Region (Amaeshi, Adi, Chris, Ogbechie, 2006). In view of the perceived information gaps, it is therefore worthwhile collating and aggregating in a more organized manner, the CSR contributions of telecommunication companies to national development. This paper presents a review of the contributions of CSR to national and economic development with particular reference to Nigerian telecommunication industry.

## 2. OBJECTIVES OF THE STUDY

- 1 To review the CSR initiatives and endeavours of MTN towards developing the nation
- 2 To determine the percentage spent on their respective portfolios.

## 3. LITERATURE REVIEW

### CONCEPTUALIZING CSR

The *Green Paper* of the European Union (2001) defines Corporate Social Responsibility as a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. This is perhaps the most diffused (although not always shared) definition of an issue which is living a renewed popularity, and represents one of the top priorities of most top managers' agendas. The relevance of this issue is also due to its pervasive effect: indeed, CSR affects all the activities and functional areas of a company, from operations to marketing and sales, from communication and external relations to human resources management, from strategy to audit. The Green Paper of the European Union proposes a classification of CSR initiatives, which are grouped into two different categories, according to:

- 1) The internal dimension, including human resources management, health and safety at work, adaptation to change, management of environmental impacts and natural resources; and
- 2) The external dimension, including local communities, business partners, suppliers and customers, human rights and global environmental concerns.

World Business Council for Sustainable Development (WBSCD) (1998) defines corporate social Responsibility as "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 that of the local community and society at large."

In Nigeria, the Federal Executive Council (FEC) on Wednesday, May 14th 2008 approved the development of a CSR policy for the country, to instill ethical behavior in Nigeria businesses. The Minister of National Planning Commission, Dr. Sanusi Daggash, who gave details of the memorandum said it referred to the adoption of responsible business practice by organizations, to improve the society at large: He said the policy would include "beyond law commitment" and activities that would necessitate an expectation to "give back" to the society.

European Foundation for Quality Management (EFQM, 2004) defines CSR as "a whole range of fundamentals that organizations are expected to acknowledge and to reflect in their actions. It includes among other things respecting human rights, fair treatment of the workforce, customers and suppliers, being good corporate citizens of the communities which they operate and above all the conservation of the natural environment."

These fundamentals are seen as not only morally and ethically desirable ends in themselves and as part of the organization's philosophy; but also as key drivers in ensuring that society will allow the organization to survive in the long term, as society benefits from the organization's activities and behavior.

EFQM presents some common characteristics of CSR which are:

- " Meeting the need of current stakeholders without compromising the ability of future generations to meet their own demand.
- " Adopting CSR voluntarily, rather than as legal requirement, because it is seen to be in the long-term interests of the organization.
- " Integrating social, environmental and economic policies in day-to-day business.
- " Accepting CSR as a core activity that is embedded into an organization's management strategy.

CSR is concerned with treating the stakeholders of the firm ethically or in a socially responsible manner. Since stakeholders exist both within a firm and outside a firm, hence, behaving socially and responsibly will increase the human development of stakeholders both within and outside the corporation (Clarkson, 1995)

Steiner (1997) defined CSR as "the intelligent and objective concern for the welfare of the society that retains the individual and corporate behavior from ultimately destructive activities, no matter how immediately profitable and leads to the directions of positive construction of human betterment."

### **Nature of Education**

Education is broadly defined, by the dictionary, as the act or process of imparting or acquiring general knowledge, developing the powers of reasoning and judgment, and generally of preparing oneself or others intellectually for mature life. Etymologically, the word education is derived from educare (Latin) "bring up", which is related to educere "bring out", "bring forth what is within", "bring out potential" and educere, "to lead". On social dimension, the cause of education is usually connected with the intellectual cultivation of the young, especially through the school systems. Formal schooling is usually the first, and probably most basic, step for a person to obtain knowledge and become a literate person.

One noticeable nature of education is its human-orientation, because the output of all educational activities is human knowledge and creativity, which in nature is intangible and un-

measurable. Unlike other economic activities, education does not produce tangible wealth or product that can be directly consumed or measured. This, to an extent, renders it arguable whether education can be considered as a kind of economic activity. This paper explains reasons for which turning corporate social responsibility into supports in education is important, it choose to focus education in NIGERIA because of the tight links with entire social progress and poverty reduction. In this field, social business models are extremely difficult to be built up. However, business can do more than philanthropy for creating educated generations who change the world. One of the most significant indicators of social progress is education, which also plays a decisive role for a society to achieve self-sustainable and equal development. With an increasing global realization of how business community can (and should) contribute to social objectives, education deserves a higher level of corporate involvement.

Anticipating major transfers in how teaching and learning are implemented ,companies are making efforts to bring the changes that help countries like Nigeria fight against illiteracy and poverty. In the words of Gordon brown ,chancellor of the exchequer he says Today, CSR goes for beyond the old philanthropy of the past . donating money to good causes at the end of the financial year and is instead an all year responsibility that company\$ accept the environment around them ,for the best working practices for their engagement in their local communities and for their recognition that brand names depend not only on quality, price, and uniqueness but on how cumulatively, they interact with companies workforce, community and environment.

Now we need to move towards a challenging measure of corporate responsibility, where we judge results not just by the input but by its outcomes; the differences we make to the world in which we hire, and the contribution we make to poverty reduction .His quote was concluded with poverty reduction, it is worthy to note that education has tight links with entire social progress and poverty reduction. In this field, social business models are extremely difficult to be built up. However, business can do more than philanthropy for creating educated generation who change the world

Economic growth is a necessary but not sufficient condition for economic development because as the economic develops, emphasis is placed on the need for human development. A major assessment of development around the world is the level of education (quantity and quality). Qualitative education implies the ability of a nation to provide education of all cadres (Primary, Secondary, Tertiary)to all school ages including adult education. Qualitative education emphasizes o the standard and potency of such education. This basically implies that education is central to economic growth through human development strategy viz-a viz capacity building and right caliber of employees and trained personnel. Thus, we can't talk about economic development without education development because it prepares capacity building for employees that will be willing to work. Nafghizer (2003) opined that a well educated citizenry contributes to higher income and productivity. Nobel laurete Simon Kuznet(1955) argues that the major stock of an economically advanced country is not its physical capital but %the body of knowledge amasses from tested findings and discoveries of empirical science and the capacity and training of its population to use the knowledge effectively+. He further went ahead to say that the contrast in economic growth between Japan and Germany on one hand, and the third world countries on the other hand, after world war II illustrates the importance of education and labor quality. Although much of the physical capital in Germany and Japan were in ruins or depleted, their economies grew rapidly after the war, as the skill, experience, education, training, health, discipline and motivation of the existing labor force remained intact

#### **MILLENIUUM DEVELOPMENT GOALS**

- " Goal 1: Eradicate extreme poverty and hunger*
- " Goal 2: Achieve universal primary education*
- " Goal 3: Promote gender equality and empower women*
- " Goal 4: Reduce Child Mortality Rate*
- " Goal 5: Improve maternal health*

“ Goal 6: Combat HIV/AIDS, malaria, and other diseases

“ Goal 7: Ensure environmental sustainability

“ Goal 8: Develop a global partnership for development

#### **Key Role of Education in Society**

Looking at it from a global perspective, In 2001, the United Nations envisioned the future world by articulating the UN Millennium Development Goals, including eight most important aspects that concern human development. Education in this regard is given % global recognition+As can be seen from the MDG\$ above, education is recognized as one of the top priorities by the United Nations as a significant dimension of the goal toward which human beings should head, only second to eradicating extreme poverty. This explicit standard of educational goals symbolizes a global recognition of education as a basic part of human rights and international development. Furthermore, because of the important role attached to education, International organization like UNESCO (United Nations Educational, Scientific and Cultural Organization) aims to empower the future generation by improving the presence and quality of education.

The UNESCO takes a clear position to gap the imbalance between developed countries and developing countries, as well as between genders

Education is central to economic growth and development through human development strategy as it prepares for employees that will be willing and able to work. This implies that a well educated citizenry contributes to higher income and productivity. Thus, it can be concluded that education development is vital. The next generation is about learning to learn with the global agreement on the changing nature of education and learning. Adequate infrastructures, instructional materials, and other supporting materials that will aid teaching and learning are important.

#### **Education and Social Advancement**

The concept of development, on societal level, involves multiple dimensions. While most attention and efforts provided by developed countries are focused on improving the economic development of local society, other long-term impacts are possible only when the essential driving force of social advancements is present: an educated generation of local people. Such advancements include democracy, humanity, equality, and other aspects that demonstrate the maturity of a country, typically following economic growth. Such changes can be made only when a certain level of awareness is built among the people. Failing to change people\$ thinking is fatal to the ultimate fortune of a country which achieves empty economic booming. Therefore, merely economic aids are not sufficient for underdeveloped countries to accomplish an all round pattern of social progress. Education helps individuals fulfill and apply their abilities and talents. It increases productivity, improves health and nutrition, reduces family size, presents specific knowledge, develop general reasoning skills, causes values to change, increases receptivity to new ideas, and changes attitude toward work and society . education has both consumer good and investment good component.(Nafghizer 2004)

#### **Key Role of health in Society**

Looking at it from a global perspective, In 2001, the United Nations envisioned the future world by articulating the UN Millennium Development Goals, including eight most important aspects that concern human development. Health care system in this regard is given % global recognition+

• **Goal 4: Reduce Child Mortality Rate**

• **Goal 5: Improve maternal health**

• **Goal 6: Combat HIV/AIDS, malaria, and other diseases**

As can be seen from the list above, health related issues are recognized as three of the top priorities by the United Nations as a significant dimension of the goal toward which human beings should head. This explicit standard of health care system goals symbolizes a global recognition of been healthy as a basic part of human rights and international development.

Furthermore, because of the important role attached to education, International organization like UNICEF, (United Nations Children's Fund) and WHO, (World Health Organization) aims to empower the future generation by improving the presence and quality of healthcare system

### **CSR AND HEALTH**

Life expectancy is one of the best single indicator of national health levels. Nafziger (2000) opined that improvement in longevity during the seventeenth and eighteenth centuries caused the acceleration in growth rates at the cause of the modern age. Higher life expectancy increased incentives to invest in human capital, which exerted a positive effect on economic growth, sparing the industrial revolution. In fact, the positive relationship between life expectancy and per capita income persists until income reaches a certain level, perhaps corresponding to some critical level of health practice and economic productivity. Short life expectancy in many developing countries (Nigeria inclusive) is mostly occasioned by malnutrition, poor health system and disease epidemic, the bad health care system. The health sector is one that has a close relationship with multiple stakeholders of employees, society, government and corporate organizations is very important. An organization can only provide products and services for a healthy nation.

The health care sector is a sector that has close relationship with multiple stakeholders of society, government and corporate organizations. There are numerous epidemic disease and other disease in the world that needs close attention (Hiv/Aids, Avian Influenza). The private sector of any economy must work with the public sector to take close measures and to keep the diseases under control because a healthy economy is a wealthy one. Thus, critical amount of resource is required.

Health and economic development shows a two way relationship. Development generally improves the health system, whereas better health increases productivity, social cohesion and economic welfare. It is because of this importance that the millennium development goal (MDGs) attaches and places attention to health promotion, disease prevention, treatment for acute illness and chronic care, response to new threat from diseases and injuries and other components of a primary health care system. Investment in human capital of a nation includes expenditure on education training and health, all geared towards enhancing citizen's future productivity because poor nutrition and health reduce labor productivity.

### **Historical Background and CSR of MTN Nigeria**

MTN Nigeria is part of the MTN Group, Africa's leading cellular telecommunications company. On May 16, 2001, MTN became the first Global System for Mobile communication (GSM) network to make a call following the globally lauded Nigerian GSM auction conducted by the Nigerian Communications Commission (NCC) earlier in the year. Thereafter the company launched full commercial operations beginning with Lagos, Abuja and Port Harcourt. According to the Company's available information, MTN's over-riding mission is to be a catalyst for Nigeria's economic growth and development, helping to unleash Nigeria's strong developmental potential not only through the provision of world class communications but also through innovative and sustainable corporate social responsibility initiatives.

The MTN Nigeria Foundation Limited by Guarantee (MTNF Ltd/Gte) was therefore established for the purpose of focusing MTN Nigeria's efforts in terms of its Corporate Social Responsibility initiatives to help reduce poverty and foster sustainable development in. In September 2004, MTN Nigeria Communications Limited consulted with diverse group of stakeholders across the country to ascertain the needs of the Nigerian people. The findings of this rich consultative process enabled the development of a more focused strategy under the three portfolio areas, Education, Health and Economic Empowerment. The approach at MTN Foundation has always been one that seeks a balance between social and economic goals and our belief that the future growth of our business is tied to the well-being of our communities. A key and strategic goal of our parent company, MTN Nigeria, (MTNN) is to be a responsible

business and it is in the expression of that vision; to help improve the quality of life in communities all over Nigeria that our role in the Foundation comes to the fore. Simply put, it is good business to be good and it is the right thing to do.

A common thread that runs through our work at the Foundation is in ensuring that we remain the reference point for the execution of measurable and successful social investment initiatives, that we pave the way for other organizations in the area of Corporate Social Responsibility (CSR), whilst projecting the MTN Nigeria brand in a positive manner. It is against this background that the Board of MTN Nigeria resolved to make available up to 1% of its profit after tax annually to MTNF Ltd/Gte, which was duly incorporated in July 2004. The Foundation's program of activities is supported by MTN Nigeria Communications Limited.

Our vision statement is ...to be a leader in Corporate Social Responsibility initiatives in Nigeria measured by the impact and sustainability of our projects on our host communities.

Our mission statement is to improve the quality of life in the areas of Health, Education and Economic Empowerment on a sustainable basis. Our objectives are:

1. To alleviate the health challenges currently facing the country
2. To provide access to educational opportunities
3. To provide for and facilitate the economic empowerment of Nigerian citizens

**MTN EDUCATION EMPOWERMENT PORTFOLIO**

By increasingly investing in projects in various institutions across the country, the MTN foundation continues to bridge the digital and knowledge divide thereby contributing to educational development in Nigeria

**MTNF HEALTH PORTFOLIO HEALTH FIRST, THEN...U CAN**

The key goal of the Health portfolio is to alleviate the health challenges facing Nigerians through feasible and sustainable projects geared towards improving life in various communities across Nigeria.

**ECONOMIC EMPOWERMENT PORTFOLIO**

A People against Poverty. The Economic Empowerment Portfolio is designed to Empower people:

1. By providing affordable capital, appropriate technology, and capacity building resources they need to lift themselves out of poverty.
2. by providing them with opportunities through various microfinance based projects to help them reap the rewards of their own labour. Examples of relevant slogans: %take a walk with us and be empowered+; %Empowering women through rural telephony+

CSR PORTFOLIO	PROGRAMMES
<p>EDUCATION EMPOWERMENT PORTFOLIO</p>	<ul style="list-style-type: none"> <li>• MTNF Universities Connect project</li> <li>• MTN Foundation Schools connect</li> <li>• MTN Foundation / UNICEF Friendly School Initiative(CFSI)</li> <li>• MTN Foundation Muson music scholars programme</li> <li>• MTNF Junior Achievement Nigeria Company programme</li> <li>• MTNF Learning Support Materials Initiative</li> <li>• MTNF Schools Connect Lab Call Center</li> <li>• MTNF Learning Facility project.</li> <li>• MTNF Youth skill development project</li> <li>• MTNF Science and Technology Laboratory project</li> <li>• MTNF READ(Read, Explore,and Develop) Initiative</li> </ul>

HEALTH EMPOWERMENT PORTFOLIO	<ul style="list-style-type: none"> <li>• MTNF Partners Against Aids in community (MTNF PAAC)</li> <li>• MTNF Children's Development Centre (CDC) and %Disability and U road show and seminar+</li> <li>• MTNF Project CLEAN(Cleaning The Local Environment Around Nigeria)</li> <li>• MTNF Sickle Cell Project Nigeria</li> <li>• MTNF Children at Risk Empowerment Scheme(MTNF CARES)</li> <li>• MTNF Medical Support Project</li> </ul>
ECONOMIC EMPOWERMENT PORTFOLIO	<ul style="list-style-type: none"> <li>• MTNF Rural Telephony Project(RTP)</li> <li>• MTNF %Call center how to set up your own %handbook</li> <li>• MTNF Low Cost Housing project</li> <li>• MTNF Lady Mechanics Initiative</li> <li>• MTNF Milk Flow (Fulanis Living Optimally Willingly)</li> </ul>
OTHER ACTIVITIES EMPOWERMENT PORTFOLIO	<ul style="list-style-type: none"> <li>• National and other priorities, sponsorship and community development.</li> </ul>

Source: Extracts from MTN Foundation website (www.mtn.com)

1. METHODOLOGY

The study seeked to examine the contributions of corporate social responsibility to national development by companies in Nigerian Telecommunication industry with emphasis on MTN, Nigeria. The CSR portfolios of MTN was examined with alongside respective expenditures to make comparisons. The population of the study constitutes all the firms in Nigerian telecommunication industry. It was decided in the study to examine the contributions of CSR to national development in the biggest organization (Market leader) in the industry with the most expansive network coverage spread across 2,394 cities, towns and village in all 36 state of the federation including federal capital territory (FCT). The implication of this is that it provides network coverage to 85.24% of the population land mass, and 85.06% of the population have access to their services. Furthermore, MTN Nigeria is the market leader in the industry with 43% subscriber base as compared against others like Glocacom (22%), Airtel (20%) and Etisalat (15%) (Business World, 2013). The study also employed the use of non-probability sampling method; convenience sample was used to select the sample because of the accessibility to obtain information from MTN, Nigeria Annual financial report and annual CSR report. Secondary source of data was used to obtain information which was derived from the examination of existing relevant records of the company which include their Annual financial report and Annual CSR report. Standardized works of other researchers were consulted i.e. journals, workshop papers, textbooks and websites when sourcing for literature materials. Ratio analysis was used to analyze the data in order determine the proportion of money invested in their respective CSR portfolio from 2007-2010

RESULT AND DISCUSSION

RATIO ANALYSIS ON EDUCATION EMPOWERMENT PORTFOLIO

YEAR	PROFIT IN MILLION	CSR EXPENDITURE	CSR %
2007	34,679	145,761,986	0.42
2008	20,250	90,046,965	0.44
2009	31,558	408,105,706	1.29
2010	33,326	396,991,804	1.19
Total	120,013	1,040,906,461	
CSR RATIO	0.9%		

Source: Extracts from Published Financial Statement and CSR Report (2007-2010)

## RATIO ANALYSIS ON HEALTH EMPOWERMENT PORTFOLIO

YEAR	PROFIT IN MILLION	CSR EXPENDITURE	CSR %
2007	34,679	255,853,758	0.73
2008	20,250	240,645,377	1.19
2009	31,358	199,559,299	0.63
2010	33,326	798,649,787	2.39
Total	120,013	1,494,708,221	
CSR Ratio	1.2%		

**Source: Extracts from Published Financial Statement and CSR Report (2007-2010)**

## RATIO ANALYSIS ON ECONOMIC EMPOWERMENT PORTFOLIO

YEAR	PROFIT IN MILLION	CSR EXPENDITURE	CSR %
2007	34,679	155,478,730	0.45
2008	20,250	53,014,835	0.26
2009	31,358	281,879,458	0.89
2010	33,326	302,191,055	0.91
Total	120,013	792,564,078	
CSR Ratio	0.7%		

**Source: Extracts from Published Financial Statement and CSR Report (2007-2010)**

## RATIO ANALYSIS ON OTHER NATIONAL ACTIVITIES EMPOWERMENT PORTFOLIO

YEAR	PROFIT IN MILLION	CSR EXPENDITURE	CSR %
2007	34,679	65,229,457	0.23
2008	20,250	161,875,694	0.16
2009	31,358	-----	-
2010	33,326	45,594,344	0.13
Total	120,013	272,699,495	
CSR Ratio	0.2%		

**Source: Extracts from Published Financial Statement and CSR Report (2007-2010)**

## RATIO ANALYSIS ON MANAGEMENT AND ADMINISTRATION OF MTN FOUNDATION

YEAR	PROFIT IN MILLION	CSR EXPENDITURE	CSR %
2007	34,679	17,128,492	0.05
2008	20,250	17,128,492	0.08
2009	31,358	25,726,659	0.08
2010	33,326	102,594,796	0.30
Total	120,013	162,578,439	
CSR Ratio	0.1%		

**Source: Extracts from Published Financial Statement and CSR Report (2007-2010)**

As we can see from the tables above, MTN Nigeria has continued to make financial commitments and contributions to the development of education, economic and health sector. The study further revealed that overall in the years under review. The expenditure on health empowerment has the highest percentage (1.2%), followed by the education empowerment (0.9%) and economic empowerment (0.7%).

## 5. CONCLUSION AND RECOMMEDATION

It can be concluded from the study that MTN Nigeria has continued to invest in sectors that have close relationship with multiple stakeholders of employees, society, government and corporate organizations which can develop the nation. For example the education empowerment portfolio which involves investing in projects that bridge the digital and knowledge divide is emphasized because the management is aware of the fact that one of the most significant indicators of social progress is education, which also plays a decisive role for a society to achieve self-sustainable and equal development even as education is central to human development strategy which prepares for employees that will be willing and able to work. This implies that a well-educated citizenry contributes to higher income and productivity

Furthermore, economic growth is a necessary but not sufficient condition for economic development because as the economy develops, emphasis must be place on human development and a healthy nation is a wealthy nation. Health and economic development shows a two way relationship. Development generally improves the health system, whereas better health increases productivity, social cohesion and economic welfare. Investment in human capital of a nation includes expenditure on education training and health, all scared towards enhancing citizen's future productivity because poor nutrition and health reduce labor productivity and all organizations can only provide products and services for a healthy nation.

It is recommended that the present tempo of CSR at MTN Nigeria should be maintained, sustained and improved upon. Given the roles that they play in nations development in various communities and their local institution as well, government should collaborate and provide necessary institutional supports to organizations to facilitate their CSR interventions. There is also need for collaborative efforts with other private organizations and relevant stakeholders in certain projects where synergy is likely to have greater impact. Their CSR projects must be continuously programmed to have maximum impact on the benefiting public and not merely intended for prestige or corporate image laundering. There is also the need for coordination of efforts, networking and collaborations with other private organizations, relevant stakeholders and the general public in certain projects where synergy is likely to have greater impact even as it also behoves on regulatory authority to apply moral suasion when necessary to urge more organization to participate in CSR. Thus, government at all levels should equally encourage CSR by granting tax reliefs and /or rebates and other economic or policy concessions.

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