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Adoption of CSR for Sustainable Development in the Nigerian Banking Sector: An Empirical Study

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Abstract

This paper appraises the factors influencing the adoption of Corporate Social Responsibility, (CSR) towards sustainable development in the Nigerian Banking Industry by Exploring Corporate Social Responsibility towards Sustainable development in the Banking Sector in Nigeria. The study reiterates that in relation to the banking sector, CSR is the obligation of banks to manage their social, economic and environmental activities at the local and global level. This involves the banks to consider not only their profitability and growth, but also the interests of society and the environment by taking responsibility for the impact of their activities on stakeholders, employees, shareholders, customers, suppliers and civil society represented by NGOs. This paper examines the perception of the stakeholders on CSR dimensions in the banking sector, dominant CSR activities, issues targeted and potentials of CSR stimulating the sustainability of the banking sector and aims to explore and evaluate the social and ethical practices of the banks in Nigeria, through the perceptions of the Nigerian participants. By doing so, the participant perceptions of the ethical foundations of the banking system were examined, namely the participants' perception of the banking practices; through the formulation of relevant objectives: This study centres around CSR practices in the banking sector in Nigeria in terms of knowledge and importance of CSR; CSR dimensions; and challenges; determining the relationship between the below factors and CSR in achieving sustainable development; government policy; top management; customer interest, determining which of the factors has greater impacts on banks to adopt CSR as a means of sustainable development; determining how CSR mediates the relationship between the factors that influences it and sustainable development in respect of government policy and top management and customer interest. The paper found that Banks in Nigeria to a large extent is influenced by government policy, customer interest and the bank management on CSR towards sustainable development and concludes that firms engage in CSR mainly for profit maximization.

Keywords

CSR, Banking sector, sustainable development, government policy, customer interest, profit maximisation

Introduction

"Our biggest challenge in this new century is to take an idea that seems abstract- sustainable development- and turn it into a daily reality for the entire world's people." -(Kofi Annan). The above-stated quote aptly explains the need for every business entity to see the importance attached to sustainable development and how it is capable of sustaining the actuality and continued growth of businesses. The general concern from business in the world today, is the impact such business activities have in the societies where they operate. They do accept the fact that presently, there is an increase in demands, pressures and obstacles that are signalled through the markets and the orthodox and old political system on which they have always relied upon for a very long time. Thus, this has led many to implement into their operation the so-called Corporate Social Responsibility, CSR which is aimed at balancing the operations with the concern of both internal and external stakeholders, otherwise referred to in the banking sector, as employees, customers, business partner's communities, governmental and non-governmental association.

However, it is important to highlight the importance of government's role in encouraging and fostering the social justice and environmental protection and likewise making sure social development is enhanced. Hence, it is important to avoid the tendency of replacing the role of companies with that of government. In this respect, CSR should therefore be a means of extra opportunity for the firms to be truly competitive, in a globally competitive market like the banking sector. Corporate Social Responsibility (CSR) is thus crucial in the growth of a country's economy.

In the wake of recent scandals of high profile nature found in corporate institutions in Nigeria and other parts of the world, the legitimacy and reputations of banks were constantly put under pressure and verifiable doubt, this is what is seen presently in Nigeria, when the present administration of President Buhari implemented the policy of Treasury Single Account, TSA in the year 2016 with the aim of moving every governmental account from commercial banks in Nigeria into the coffers of the Central Bank of Nigeria, (CBN) where it would henceforth be domiciled.

At the beginning, the societal expectations from business entities did not actually go beyond efficient resource allocation and its maximization. At the moment, this has changed and modern businesses do have to think beyond just profit-maximization to moving towards being at least being socially responsible to the society in which it operates.
The banking industry over the past decade has seen an increasing convergence between the activities of investment and commercial banking, due to the deregulation of the financial sector.

Hence, it is essential to note that, although the banking industry does not operate on the same line all over the world, due to the fact that most bankers do think about corporate clients in terms of the following area:

Table 1 Bank Classification of Customers/Clients

Banks	
Investment Banking/Mortgage Banking:	This banking covers an overview of services from asset securitization, coverage of mergers, acquisition and corporate restricting of securities underwriting, equity private placements and placements of debt securities with intentional investors
Commercial Banking:	This banking covers services such as cash management (money transfer, money deposit, payroll services, bank reconcilement), credit services (asset based financing, lines of credits, commercial loans or commercial real estate loans), deposit services (checking or savings account) and foreign exchange.
Islamic Banking:	This banking covers an area which is non-interest related banking activities.

The banking industry in the world today is being charged with the responsibility of equilibrating all aspects of its stakeholder's desires or needs. These stakeholders range from the company shareholders, government, customers to the community of operation. Thereby maintaining the interest of the business and its sustainability in the market. The idea of sustainability in the banking industry is becoming more prevalent by the day, due to the fact that, the banks have to sustain their business activities in order to survive and compete favourably in the market, by doing so, they venture into CSR. Due to the integrity of the business and its ethical conduct, it has become important as a primary reason to find out if CSR is conducted basically for economic reasons or because of the advantages involved. According to Adegboyega and Taiwo (2011), "there are few or no empirical tests conducted in support of the advantages and disadvantages involved in CSR, that makes CSR practices sustainable and of a profitable public relations and marketing strategy".

However, the practice of CSR is now an important part of multinational and local operating institutions, where ethics are beginning to take a frontline role in business activities in our modern society, alongside faith guides of life including economic and financial activities that would therefore be beneficial to all stakeholders involved. Other importance of CSR includes the fact that it is applicable to several types of organisations.

Need for CSR

In Nigeria, the banking sector was affected by economic crisis which is clearly affected by the present recession wave in the country. It is occasioned by failing public-sector industrial polices and development programs, which would lead the bank to sustainability (Soludo, 2015). There is a significant need for a study relating to Corporate Social Responsibility, CSR in reaching its Sustainable Development, SD to be conducted covering stakeholders in the banking sector, due to the fact that academic, government, and business persons tend to know little about the impact of CSR in developing nations and in Nigeria specifically. (Adeleke, 2014). In addition, the Nigeria banking sector has experienced rapid growth in the banking industry (Adegbite & Nakaima, 2011; Adeleke, 2014). Therefore, it is very vital for the leaders of the Nigerian banking sector to act positively towards its stakeholders and ensure good operation for the banking sector to grow and be sustained (Babalola, 2012). In essence, it is of great importance to undergo such study to bridge the gap that exists in the growing knowledge of CSR, its importance, and its roles in achieving the continued sustainability of the economy, and thereby changing the mind-set of the present leaders of the Nigerian bank industry regarding the ideology behind CSR and how it is used to attain sustainable development. Since the Nigerian banking sector at the moment is faced with the lingering challenge of trying to grow and sustain its business, how they would rationalize each decision that would be profitable for the business sustenance and meeting the needs of all its stakeholders would therefore be a great concern to stakeholders which should be subjected to a scholastic enquiry of this magnitude.

Challenges confronting the implementation of CSR

Implementing CSR in Nigeria had been a major challenge, with the former Governor of the Central Bank of Nigeria, CBN, Mallam Sanusi Lamido Sanusi highlighting that, most bank players in the industry try to avoid involving themselves in CSR activities, without understanding the defects of not inculcating it into the banking process (Sanusi, 2007). In addition, since the banks and other financial intermediaries were once at the heart of the world's recent financial crisis, this further lends an incontrovertible credence to the assertion.

Before the consolidation exercise in Nigeria, the banking industry had about 89 active players whose overall performance led to sagging of customers' confidence. There was lingering distress in the industry, the supervisory structures were inadequate and there were cases of official recklessness amongst the managers and directors, while the industry was notorious for ethical abuses. (Akpan, 2007). Weak corporate governance and social responsibility were manifesting in the form of weak internal control systems, excessive risk-taking, override of internal control measures, absence of or non-adherence to limits of authority, disregard for cannons of prudent lending, absence of risk-management processes, insider abuses and fraudulent practices remain a worrisome feature of the banking system. (Soludo, 2004).

The Nigerian economy today is faced with multiplicity of challenges ranging from high unemployment rate, high poverty (which stood at 69 percent of the 163 million population of Nigeria (National Bureau of Statistics, NBS, 2010) corruption, youth restiveness, political crises, security challenges (which has great effect on investments (Aimurie, I. et al) and economic growth among others).

However, in the face of the above challenges for banks in Nigeria, the practice of corporate social responsibility as a concept entails the practice whereby corporate entities voluntarily integrate both social and environment uplift in their business philosophy and operations. It therefore seems that the practices of CSR will further pose a burden on the financial performance of banks. In the light of the above problems faced by most banks, there is the need to evaluate the impact of CSR on the profitability of the banking sector in Nigeria.

Research questions

The statement of the research problems was addressed through the formulation of specific research questions. The research mainly focuses on three (3) major aspects of CSR dimensions, government policy and sustainable development of the Nigerian Banking System.

The following the specific research questions:

I. How are CSR practiced within the banking sector in Nigeria, in terms of;
   a. Knowledge and importance of CSR;
   b. CSR dimensions; and

c. Challenges?

II. What is the relationship between the below factors and CSR dimensions in achieving Sustainable development;
   a. Government policy
   b. Top management
   c. Customer Interest

III. How does the CSR mediate the below factors and relationship with Sustainable Development
   a. Government policy
   b. Bank management
   c. Customer interest

Objectives of the paper

This paper aims to explore and evaluate the social and ethical practices of the banks in Nigeria, through the perceptions of the Nigerian participants. By doing so, the participant perceptions of the ethical foundations of the banking system are being examined. In addition, the participants' perception of the possibility of banking and the nexus that is between development and the banking practices are explored.

In fulfilling the identified aims, the following objectives are developed:

I. To describe CSR practices in the banking sector in Nigeria in terms of;
   a. Knowledge and importance of CSR;
   b. CSR dimensions; and
   c. Challenges.

II. To determine the relationship between the below factors and CSR in achieving Sustainable development;
   a. Government policy
   b. Top management
   c. Customer Interest

III. To determine how CSR mediates the relationship between the factors that influences it and Sustainable Development:
   a. Government policy
   b. Top management
   c. Customer interest

Scope of the paper

This paper is majorly based on the Nigerian banking sector with particular to 7 profitable banks and their stakeholders. Considering the difficulty and constraints in covering the entire banking sector, there was the need to limit the scope to a realistic sample location, sample size within the time frame of the research and likewise restricted to available resources. Abuja (FCT) is chosen as the sample location for its broad-based representation of Nigeria, and this is where the head office of most of the banks are situated, the seat of financial, commercial and service activities in the country. The thesis examines the perception of the stakeholders on CSR dimension and the banking sector, dominant CSR activities, issues targeted and potentials of CSR stimulating the sustainability of the banking sector.

Justification for the research

The justification of this research is clear as it makes contributions, both theoretically and practically, in relation to CSR and how government policy, top management and customer interest influences its dimension in order to attain sustainable development, like the principle behind all decision-making. The most common understanding of CSR in developing nations like Nigeria is philanthropic donations channeled into charities, sponsoring of musical events, funding of sports/cultural programmes, promotional raffles, donations to schools and similar initiatives (Amaeshi et al., 2006; Helg, 2007; Osemene, 2011; Ibe, 2012; Owonibi, 2012).

Gap identified

Adegboyega and Taiwo (2011) addressing the Visualization of Corporate Social Responsibility Information of tests carried out on positive and negative impact of CSR, the researcher said "There are few or no empirical test conducted in support of the advantages and disadvantages involved in CSR, which makes CSR practices sustainable, notable and a profitable public relations and marketing strategy". Due to lack of knowledge and awareness of the stakeholders, reporting on CSR is still being debated. The research aims to fill this gap. Sanusi (2010), whilst addressing the Challenges of adopting government policy explained that "Likewise, government policy has been an issue which affects the development and implementation of CSR programs". The research aims to fill this gap in the knowledge and research framework that integrates CSR dimension and benefits across the three layers of analysis.

This research fills the gap by evaluating the Nigerian banking system and also by showing the Nigerian perception regarding social banking, considering that it has not been researched about, particularly its acceptance and ideology within the country's concept.

Delineation of Terms

CSR (corporate social responsibility) 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" (World Business Council for Sustainable Development, 2013).

Corporate Sustainability is "the use of resources to meet the need of the present without compromising the ability of future generations to meet their own needs", ensuring that basic human needs are met, assuring the conservation of non-renewable resources (UN, 1987).

Corruption: a relative term based on the place and culture in which someone applies it, corruption refers to illicit behaviour that deviates from normal duties in an attempt to make personal or private gains. Corruption includes fraud, bribery, theft, embezzlement, extortion, nepotism, and improper political donations (Shehu, 2004).

Strategic CSR adding to the above definition I will use DI's (2013) definition of strategic CSR: "When CSR initiatives create added value for both company and society within the specific context of the company. The greatest added value is when CSR is connected to and support the corporate strategy". This is by Porter and Kramer (2011) also referred to as "Shared value". Strategic CSR can also be referred to as "Business-driven CSR" (Danish Business Authority, 2013).

Globalization: the intensification of multinational relations between business and social ventures (Scherer & Palazzo, 2009).

Stakeholder According to BusinessDictionary.com (2014) a stakeholder is “a person, group or organization that has interest or concern in an organization. Stakeholders can affect or be affected by the organization's actions, objectives and policies.” Stakeholders are sometimes labelled as external or internal. Internal stakeholders are aligned with a company, where external stakeholders are typically found within the community and the external environment outside the company.

Stakeholder theory: stakeholders are individuals or groups that have a legitimate interest in substantive aspects of corporate activity and the interest of all stakeholders are of intrinsic value (Donaldson & Preston, 1995).
Sustainable development: This can be accurately defined by “...three parameters: 1) growth of endogenous productive capacities, especially the capacity for innovation; 2) improvement in the environmental performance of industry; and 3) improvements in living standards and a reduction of inequality” (Gallagher & Zarsky 2004). Sustainable development is often divided or analysed by the research community via the same three categories of CSR; economy, environment, and society.

Analysis and Interpretation of Findings

Table 2 Summary of Respondents Demographic Data

Demographics	Classification	Frequency	Percentage %
Gender	Male	414	51.9
	Female	384	48.1
	Total	798	100
Age	21-24	304	38.1
	25-28	156	19.5
	29-32	130	16.3
	33-35	120	15.0
	36-38	88	11.0
	Total	798	100
Education	Diploma	26	3.3
	Undergraduate	403	50.5
	Post graduate	329	41.2
	Doctorate	40	5.0
	Total	798	100
Monthly Income	Less than N100,000	266	33.3
	N100,001 - 200,000	396	49.6
	N200,001 - 300,0000	104	13.0
	N300,001 - 400,000	32	4.0
	Total	798	100

Occupation	Student	354	44.4
	Self employed	37	4.6
	Employed	407	51.0
	Total	798	100

Table 2 shows that 414 males, representing 51.9% and 384 females, representing 48.1%, participated in the survey. In terms of age, the respondents range between 21-38 years old. Most of the respondents are between 21-24 years old (38.1%), followed by those who are between 25-28 years old (19.5%). Respondents who are between 29-32 years old represent 16.3% while those between 33-35 years represent 15.0%. 11.0% were made up of those between 36-38 years.

In terms of the highest educational level attained, about 3.3% are diploma holders, 50.5% were undergraduates (first degree holders), 41.2% were postgraduate students and the remaining 5.0% have their doctorate degrees. Besides, the results showed that the monthly income of respondents who earn below N100,000 is 33.3%, those who earn between N100,001–N200,000 made up 49.6% and those who earn between N300,001–400,000 represent 13.0% of the sample. Meanwhile, 4.0% earn between N300,001–400,000. Occupation shows that of all the respondents, 44.4% are students, 4.6% are self-employed whereas 51.0% are employed.

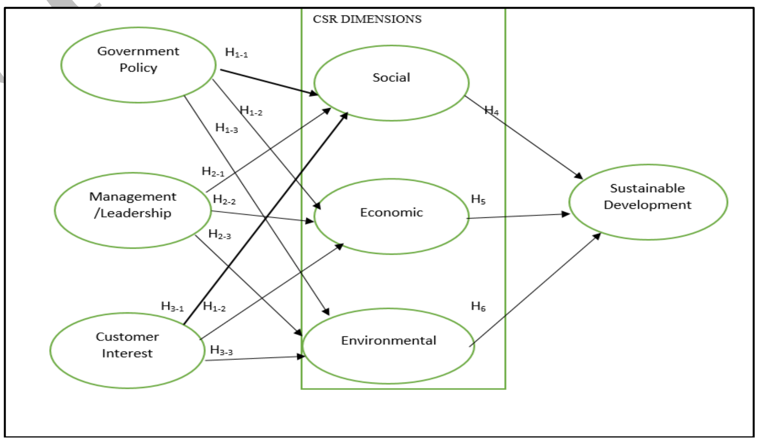


Figure 1 Model of hypothesized relationships

The initial measurement model resulted in path diagrams shown in Figure 1. An examination of the path diagrams showed that some factor loadings and explained variances (R2) for each observed variable were within acceptable ranges. The first criterion to be evaluated in CFA is typically internal consistency reliability. The traditional criterion for internal consistency is Cronbach's Alpha, which provides an estimate of the reliability based on the inter-correlations of the observed indicator variables (Hair et al., 2014). The individual item reliability is considered suitable when an item has a factor loading that is greater than 0.708 for its construct (Hair et al., 2014). Besides, composite reliability values of 0.60 to 0.70 are acceptable in exploratory research, while in more stages of research, values between 0.70 and 0.90 can be regarded as satisfactory (Nunally & Bernstein, 1994).

Researchers frequently observe weaker outer loadings in social science studies, especially when newly developed scales are used (Hulland, 1999).Rather than automatically eliminating indicators when their outer loading is below 0.70, researchers should carefully examine the effects of item removal on the composite reliability, as well as on the construct's content validity. Generally, indicators with outer loadings between 0.40 and 0.70 should be considered for removal from the scale only when deleting the indicator leads to an increase in the composite reliability or the average variance extracted (AVE) above the suggested threshold value (Hulland, 1999, as cited in Hair et al., 2014).

Theory and Hypothesis Development

The conceptual framework is based on the three dimensional aspect of sustainable development in relation to CSR which is referred to as the three bottom line method. This conceptual framework is used to develop the research hypothesis. Like the CSR theory just discussed, Triple Bottom Line works on the assumptions that the corporation is a member of the moral community, and this gives it social responsibilities. This theory focuses on sustainability, and requires that any company weigh its actions on three independent scales; economic sustainability, social sustainability, and environmental sustainability. It is very difficult to talk about CSR without looking at triple bottom line thinking (that is interactive thinking taking into consideration social, environmental and economic factors) thereby looking at how factors which influences CSR in the Nigeria context plays an important role in CSR activities and implementation by the banks. The Hypothesis development would be referenced to the research objectives below;

Hypothesis 1-3: Relationship between the below factors and CSR in achieving Sustainable development;

Government Policy:

Governments are tasked with putting crisis shaken markets back on track, and with finding solutions to difficult global challenges. Rules and regulations addressed to this end can be best developed through a decentralized approach that includes the participation of private industries.

- H1-1: Government policy positively influences adoption Social dimension towards Sustainable Development.
- H1-2: Government policy positively influences adoption economic dimension of CSR towards sustainable development.
- H1-3; Government policy positively influences adoption of Environmental Dimension of CSR towards Sustainable development.

Bank management

Corporate responsibility as a management approach helps businesses to regain trust and transform environmental, social and governance challenges into strategic opportunities, as well as better equipping firms to deal with crisis situations.

H2-1: Management positively influences adoption of Economic Dimension of CSR towards Sustainable Development

H2-2: Management positively affects adoption of Economic Dimension of CSR towards Sustainable Development

H2-3: Management positively affect the adoption of Environmental Dimension of CSR towards Sustainable Development.

Customer Interest

One can argue that if customers perceive that CSR initiatives are consistent with corporate personality, CSR initiatives will be perceived as credible because the company-CSR link is easily understood and integrated in their mental schemes. In contrast, if CSR initiatives are not consistent with the identity the company is trying to convey, the effort customers have to devote to understanding CSR will reduce corporate credibility which in return affect its sustainable development (Bigné et al., 2009).

Hypothesis: CSR does mediate the relationship between the factors (Government, Management, and Customer interest) to sustainable development.
Corporate Social responsibility is a form of corporate regulation integrated into business model. CSR policy functions are built-in, self-regulating mechanisms whereby the business monitors and ensures its active compliance with the spirit of the law, ethical standards and international best practices. The goal of CSR is to embrace its responsibility of the company's actions and encourage a positive impact through its activities on its environment, consumers, employees, communities, stakeholders and all other members of the public sphere (Shifa, 2012).

- Government policy: H4-1, H5-1, H6-1
- Bank management: H4-2, H5-2, H6-2
- Customer interest: H4-3, H5-3, H6-3

Analysis of the study

Model with mediated effects

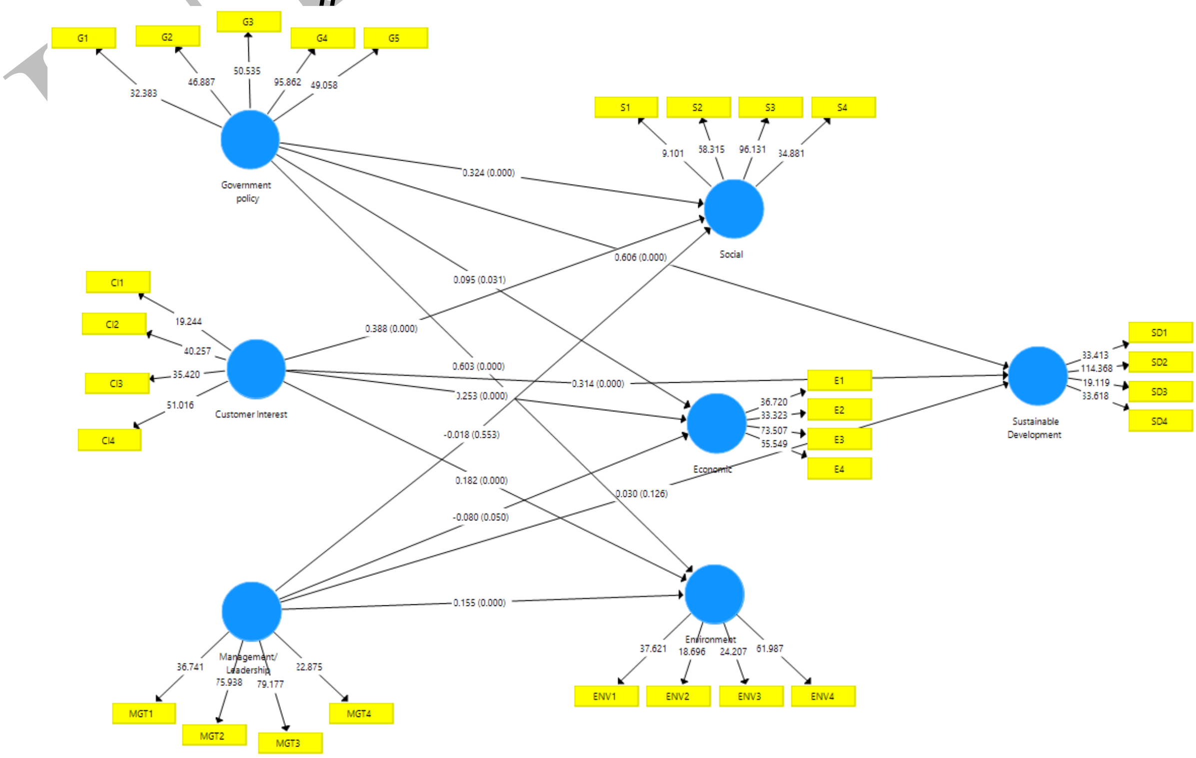


Figure 2: Summary of mediating effects

Table 3 Indirect effects test

Indirect and Direct Effects					
	Original Sample	**Sample Mean**	**Std. Deviation**	**T Statistics**	**P Values**

Customer Interest -> Economic	0.252	0.250	0.040	6.299	0.000
Customer Interest -> Environment	0.181	0.181	0.036	5.003	0.000
Customer Interest -> Social	0.389	0.389	0.039	10.090	0.000
Customer Interest -> Sustainable Development	0.289	0.288	0.031	9.270	0.000
Economic -> Sustainable Development	0.061	0.061	0.022	2.774	0.006
Environment -> Sustainable Development	0.079	0.080	0.035	2.235	0.025
Government policy -> Economic	0.098	0.100	0.042	2.232	0.025
Government policy -> Environment	0.605	0.606	0.034	17.918	0.000
Government policy -> Social	0.323	0.322	0.047	6.835	0.000
Government policy -> Sustainable Development	0.554	0.554	0.034	16.162	0.000
Management/Leadership -> Economic	-0.079	.0.079	0.041	1.956	0.051
Management/Leadership -> Environment	0.155	0.155	0.026	5.896	0.000
Management/Leadership -> Social	-0.016	-0.015	0.030	0.526	0.599
Management/Leadership -> Sustainable Development	0.023	0.023	0.020	1.155	0.248
Social -> Sustainable Development	-0.010	-0.010	0.031	0.322	0.747

As Figure 1.1 and Table 1.2 show, strong support was shown for Government policy. The direct effect of Government Policy was significant (0.608, see Figure 1.1); however, when the mediators are included in the model, the significance of Government policy to Sustainable Development reduces (0.554 a direct relation, with the P value significant at 0.00). The indirect effect of government policy (0.554, t= 16.162; p<0.00) indicates that the government policy towards sustainable development does partially mediates on sustainable development.

Similarly, Customer Interest has a positive significance to Sustainable Development (0.289; Figure 4.8). When the mediating variables of Social, Economic and Environment are added as the mediator, Customer Interest still has significance to Sustainable Development (0.289; sig = 0.000; t = 9.270, see Figure 2 and Table 2). This indicates that Customer Interest towards sustainable development partially mediates.

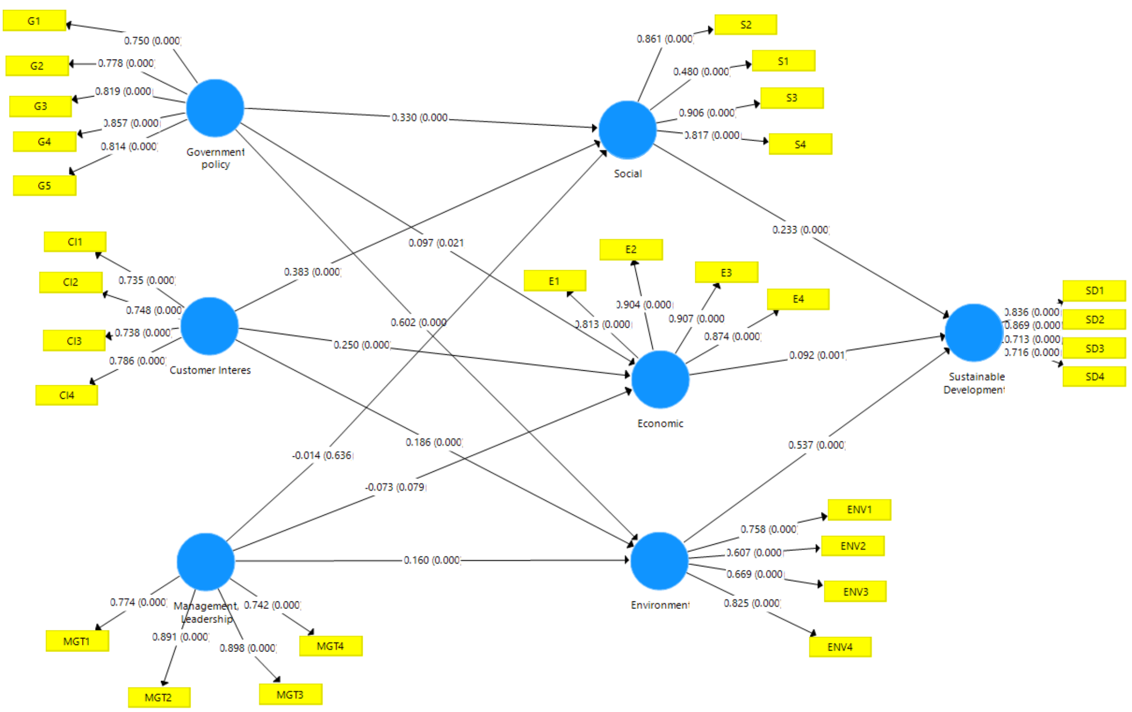
Support was not shown for Bank Management (0.023; Figure 4.8). Bank management was not found to significantly influence Sustainable Development. This, however, changes as the mediator (attitude) is incorporated into the model. Management shows a positive significance to Environment towards Sustainable development (0.079; sig =0.025) and a negative significance to both Social and Economic (-0.016; sig 0.599;-0.079; sig =0.051). This implies that social and Economic towards Sustainable Development fully mediates the relationship between Management and Sustainable development. The direct relationship between Government Policy and Sustainable Development was significant (0.608; sig=0.000; Figure 1.1). Nevertheless, when Social, Economic and Environment towards Sustainable development is added as the mediator, Government policy still has its significance to sustainable development. The indirect effect of 0.554; sig =0.000 (Figure 1.1) shows that Social, Economic, Environment towards Sustainable development partially mediates the relationship between Government Policy and Sustainable development.

Results show that all the CSR dimension (Social, Economic, and Environment) partially and fully mediates the relationship between factors (Government Policy, Customer Interest and Bank management) and Sustainable Development. The effects of the belief factors on the endogenous variables are shown in Table 3.

Conceptual Framework

Therefore, from the identified variables from the above framework, it led to the development of a number of hypotheses shown in the foregoing sections.

The standardized regression coefficients for the structural model was examined to test hypotheses 2- 4 as well as answer the research objective 2. Figure 3 shows the results of the hypotheses testing.



***p < 0.001; ** p < 0.01; * p < 0.05

Figure 3 Structural model (standardized regression coefficients)

Findings from this study show Banking Sector in Nigeria will perform CSR if well encourage too with a guarantee of sustainable development. Engaging in Social responsibility is a good means of promoting brand image, retaining employees, customer loyalty and drawing of new customer base. Government also can play a significant role in encouraging the banks to perform CSR activities' in terms of Social, Economic and Environmental perspective, which in turn serve as a guarantee for the banks to be sustainable.

Results show that customer interest is another factor influencing CSR dimensions towards sustainable development in Nigeria (for social 0.383; and sig=0.000: for economic 0.250; sig=0.000 and environment 0.186; sig=0.000) (Figure 1.2). T statistics of 6.187; 10.077; 5.173 shows that customer interest has a strong influence on all CSR dimension towards sustainable development.

In this study, customer interest has a significant effect on CSR adoption towards sustainable development in banking sector in Nigeria. This customer group will help to disseminate information regarding the activity and contribution of the bank to its immediate community and wellbeing of its customers, thereby passing positive information through words of mouth. The aim of an entity is profit making which is facilitate through increase brand image, which is gotten from the customer.

Support was also shown for government policy (0.330; sig=0.000 for social; 0.097; sig= 0.021 for economic: and 0.602; sig=0.000 for environment). For this, the economic proves not to be significant with the value 0.021 in relation to government policy. T statistics of 7.125; 2.307; and 17.917. With these, the T statistics of 17.917 shows the strongest influence on CSR dimension towards sustainable development. This implies that in Nigeria, government policy may for a link between CSR and sustainable development.

Bank Management is shown not to be a significant belief actors affecting CSR towards sustainable development, with only environment dimension proven to be a significant factor with the results (-0.014; sig=0.636; t=0.473 for social: -0.073; sig= 0.079; t=1.758 for economic: 0.160; sig=0.000; t=6.301). The standardized regression coefficients showed that only environment factor of the dimension does indeed affect the CSR dimensions towards sustainable development.

Theoretical contributions

From the order of survey, it had been observed that there is a substantial body of knowledge on CSR, but there is little research on how government policy, management and customer interest affects CSR dimension in attaining sustainability in the Nigerian context and the decision behind the adoption of each CSR practices. The major gap and weakness identified in the field of CSR and sustainable development in the literature review stage of this research is therefore summarized as:

Lack of empirical research on the effect of government policy, management and customer interest on CSR in attaining sustainable development in the banking sector in the Nigerian context.

Concrete empirical contributions to the flourishing of literature in the area of government policy, CSR, management, customer interest and sustainable development. It will also be directly useful for future studies on government policy, customers, management, CSR and rationale behind each adoption of CSR activities to attain sustainable development. Hence, the implication of this research lies not only in the practical insights, it would provide a useful guide to policy makers and bank leaders in rationalizing CSR activities and developing policies for the banking sector, but also in the knowledge gap it would fill.

Practical Contributions

Further to the implications for the theory discussed above, this research has implications for Practitioners, specifically for the stakeholders involved in the banking sector. In summary, the major practical contributions of this research will be:

The provision of better information to ensure corporate social responsibility is well adhered to and applied by the stakeholders in order to differentiate themselves in terms of responsibility, needs, wants and anticipations;

The provision of better information as inputs to government policy makers responsible for business development, in order to encourage the banks not just in adopting CSR, but implementing the core principle of CSR, providing the requisite basic atmosphere and encouragement for banks to implement CSR; and

The provision of better information to bank leaders/managers to understand better the perception its stakeholders view regarding their CSR practices, especially its customers.

Significance of the Research

There are diverse benefits derived from this research. Hence the significance of the research is judged based on the outcome, new meanings and new approaches that emerge during the final analysis. In respect of this, this study is important in many aspects. It is expected that this study will provide an indication of how the corporate social responsibility landscape looks like in Nigeria's banking system since there are no significant differences in the structural and operational models in the various banks in Nigeria. More so, this study is important because it will add to the existing literature of banks' CSR in particular on how socially-responsible are the Nigerian banks in addressing the challenges and enhancing the economic growth of Nigeria, which is one of the key sectors that can drive the economic growth of any nation. The result of this research work will therefore aid the Nigerian banking system to evaluate their level of commitment to their corporate social responsibility objectives and functions in the light of their dependency on the environment as source of inputs and market for corporate outputs.

Importantly, it will address once and for all, the significant nexus between adopting an effective corporate social responsibility by Nigerian Banks and achieving their sustainable development. It will also highlight the degree of neglect of government as a regulatory agent in the execution of its social responsibility duties.

In addition, identifying the importance of CSR to the society and how the government of the country can fully participate in order to make the CSR policy applicable to all banks in the banking sector, ranging from micro-finance banks to commercial banks to Islamic banks in the country is another crucial significance of this study. Also, government regulatory agencies can use the results of this study to enhance their plans so that they can increase the participation of banks in the CSR activities, which can potentially increase the level of social life standards and the national economy of the country. And it would help to bridge the gap that existed in the previous bill rejected and also serve as a means for the government to understand the global way CSR operates. Eventually, the study contributes to raging debates, existing theories, current CSR and banking best practices. By and large, the study explains the gap between the theory and practice of these key concepts and recommends an innovative approach. In essence, it suggests that the developmental side of CSR should be exploited for bridging the public sector inadequacies in the areas of poverty reduction, wealth creation, unemployment reduction, human capital development and developmental support services to the disadvantaged.

Recommendations

Effective training and development programme on CSR policy should be inculcated by the bank managers in Nigeria. This significantly will help to boost efficiency and effectiveness of the bank and ensure full capacity utilization of resources. Under government policy, the policy which will aim at making management board independent and autonomous on issues relating to sustainable development and rationalizing decision making should be attempted. Excessive politicization will be checked thereby creating a competing ground for skilled and qualified personnel to discharge their duties without fear or favour. In addition, regulating government policy through policy initiation will contribute positively to the performance of the organization.

It is suggested that, policy makers in bother government and financial organisation should work together in ensuring that CSR activities are strategically directed towards capacity development of disadvantaged host communities, suppliers, distributors, and other stakeholders, this is where rationalisation is important.

The role of government in the process of redirecting CSR as a sustainable development mechanism for the banking sector should be strictly regulatory. This is the reason the 2008 Bill on CSR could not be passed by the legislative arm of government, due to the fact that the private sector organisations did argue that the provisions of the Bill lead to double taxation and lack of incentives for industry players.

In conclusion, the practical view from the research shows a number of issues relations to survey in developing countries. In other to fortify survey strategy and to ensure replicability of survey-oriented research in any other developing countries, there is a need for public institutions and organisations to give full support to future researchers, undertaking research relating to socio-economic benefits, which could lead to economic growth and development. More awareness is desired by stakeholders on the CSR initiatives by banks, the factors responsible for their adoption and measures that can facilitate increased corporate social responsibility to ensure sustainable development.

Conclusions

Different perceptions gotten from the literature analysed shows that it is asserted that firms engage in CSR mainly for profit maximization, which means in essence that the company assumes to be socially responsible just because they anticipate a benefit from these actions (Polášek 2010). This has shown a level of correlation between firms who engage in CSR to be profit-driven or generate more profit, this is achieved by gaining benefits, such as brand reputation enhancement, ability to charge premium prices and also making use of CSR to recruit and retain high quality staff. This benefit can be assumed to offset the high cost of implementing or participating in CSR activities, since there is allocation of resources to the banks in order to achieve its adequate CSR status.

In conclusion, it is important for government in the country to play an important role in promoting the mainstream CSR. The government should assist businesses to achieve corporate social responsibility through favourable policies and regulation, which has to also do with setting up appropriate policy framework, control and enforcement procedures, subsidies and tax incentives. In a way to promote CSR, government should adopt and apply CSR activities in the practices, such as in their procurement policies, this would help in promoting CSR. This can be seen in most European countries which are today in the frontline regarding the implementation of CSR practices.

The study was also able to understand the Nigerian perception of social and ethical objectives in the banking sector and its effect and benefits to them. Finally, the author attempted to introduce what most researchers do not necessarily see the possibility by introducing the rationalization ideology behind the decision making process to adopt CSR as a means of sustainability to boost and contribute positively to the sector.

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