



Corporate Philanthropy/Corporate Social Responsibility (CSR) in Education: a case study of education CSR practices by Nigerian companies

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Nigeria in context

NIGERIA

The 'Giant of Africa'

...in context

41st
Largest economy in the world (GDP) & 2nd largest economy in Africa.

Largest economy in Africa

CURRENCY Naira (NGN) 

POPULATION
174.51 MILLION
Ranks 8th (July 2013 estimates)

DEMOGRAPHICS
43.8% 0-14 years
53.2% 15-64 years
3% 65 years +

LANGUAGE
English 

250+
ETHNIC GROUPS 

36 & a Federal Capital Territory, Abuja
STATES 

MAJOR CITIES
Lagos **10.2** million
Kano **3.3** million
Ibadan **2.7** million
Abuja **1.8** million
Kaduna **1.5** million (2009)

PRODUCERS
 **12th largest** crude oil producer in the world & 8th largest exporter.
 **12th largest** petroleum reserves & contributes to 85% + of government's revenue.
 **Top 5** cocoa bean producing countries in the world.

CAPITAL Abuja **1.8** million

GOVERNMENT Federal Republic

After Egypt, Nigeria is the largest newspaper market in the world. 



1 in 5 out of school children globally, some 10.5m children are Nigerian... And those who are in school are learning little.

Background

- ▶ Challenges to education in Nigeria
 - ▶ Insufficient financial resources
 - ▶ Poor educational infrastructure and amenities
 - ▶ Poor learning outcomes
 - ▶ Poor teacher quality
- ▶ Sources of finance
 - ▶ Aid
 - ▶ Budgetary allocation

Background

An untapped source of finance for global education - the country's domestic resources (Burnett and Bermingham, 2010). These domestic resources include private foreign direct investments; and philanthropic donations from private philanthropists and foundations.

Corporate philanthropy vs CSR

- ▶ Corporate responsibilities
 - ▶ Economic
 - ▶ Legal
 - ▶ Ethical
 - ▶ Philanthropic
- ▶ Philanthropic responsibilities include 'those corporate actions that are in response to society's expectation that business be a good corporate citizen' (Carroll and Shabana, 2010).
- ▶ Although CSR can be classified as an 'umbrella' term for the varied responsibilities that businesses have within the society, of which philanthropy is one, the term 'CSR initiatives' is also used to characterise corporate philanthropy

Corporate Philanthropy in Nigeria - Gap in literature

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- ▶ Generally, within business research, there is a relative dearth of literature on CSR practices by African companies (Amaeshi et al 2006) and
- ▶ More literature on TNCs investments in Africa/developing countries; and relatively little on what TNCs and indigenous firms are doing, particularly with reference to education.
- ▶ Literature reviewed for this study predominantly comprises of research on activities by MNC/TNCs within education (van Fleet 2012; Bhanji 2008, 2012; Draxler 2008, 2012).
- ▶ In Nigeria, indigenous firms identify with the challenges within the education sector in Nigeria, and while some respond on an ad-hoc basis, others adopt a more strategic approach by incorporating it into their CSR policies or have foundations.
- ▶ A need to explore the CSR initiatives of indigenous companies is necessary to understand the current practice and how that may fit within global discourse on achieving educational goals.

Rationale

The key purpose of this study is understanding how the corporate sector in Nigeria perceives the educational needs of the country and its contributions towards it and how, in turn, researchers may understand the place of their contributions in the overall scheme of global education goals

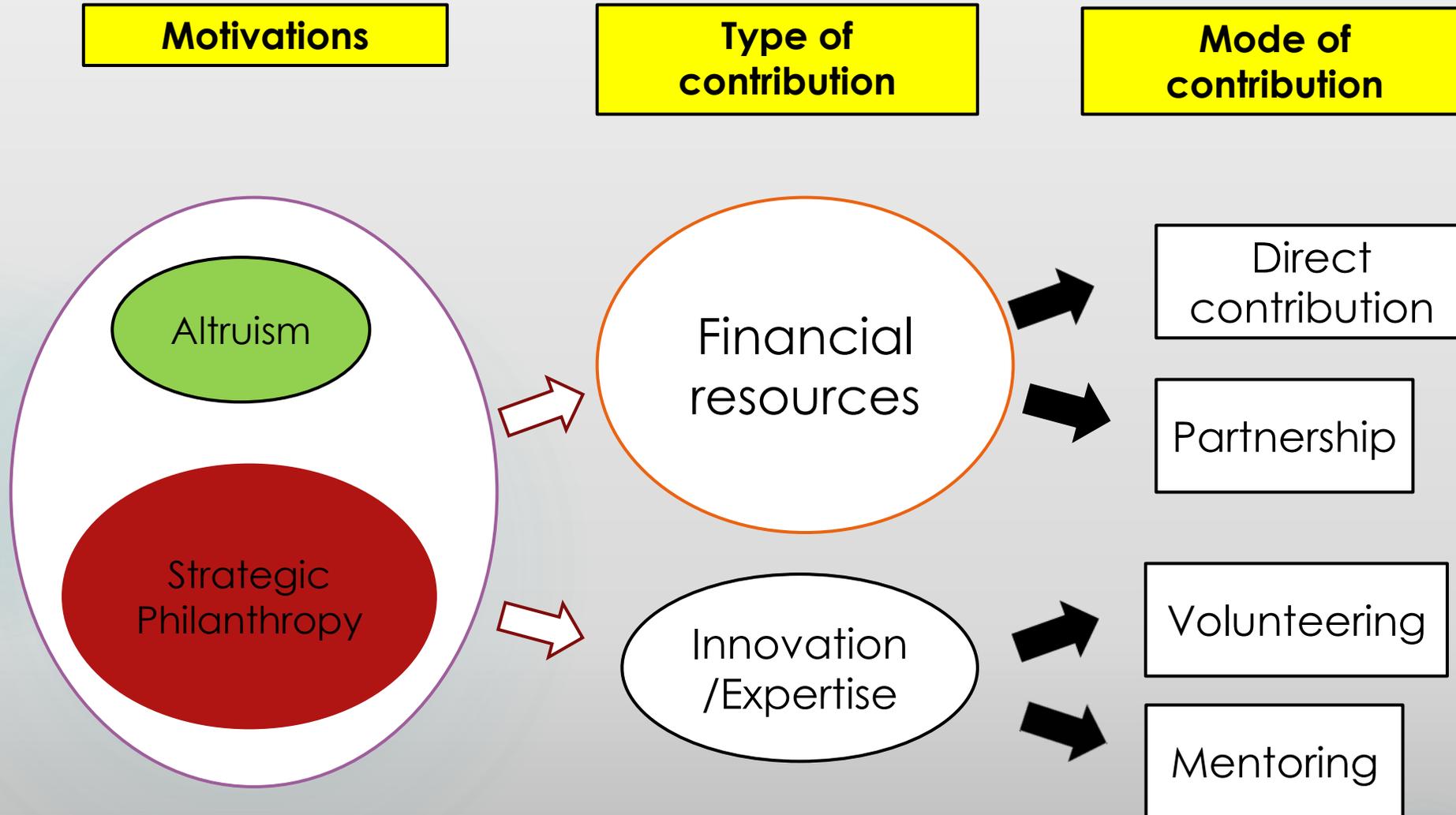
Research questions

- ▶ Research Question 1: What is the current focus and trend of CSR in education in Nigeria and how do they compare with global trends?
- ▶ Research Question 2: What are the motivations influencing CSR initiatives in education by Nigerian companies?
- ▶ Research Question 3: What are the implications and limitations of CSR initiatives on financing the Nigerian education sector?

Methodology

- ▶ Comparative case study method
- ▶ Data sources
 - ▶ Primary source: semi-structured interviews
 - ▶ Participants:
 - i. Nigerian Financial Institution (NFI) – incorporated over 20 years ago; listed on the Nigerian Stock Exchange; wholly owned and operated by Nigerians
 - ii. Consumer Goods Company (CGC) – incorporated before 1960 (more than 50 years); listed on the Nigerian Stock Exchange; is a subsidiary of a foreign firm which holds over 50% of its shares
 - ▶ Secondary source: Documentary evidence
 - ▶ company annual and CSR/Sustainability reports,
 - ▶ press releases,
 - ▶ organisation websites and
 - ▶ other publications on CSR activities

Conceptual framework



Findings

	NFI	CGC
Types of contribution	<ul style="list-style-type: none">• Infrastructure (construction/renovation); scholarships; competitions (sports); book donations• Conferences	<ul style="list-style-type: none">• Infrastructure (construction/renovation); scholarships; competitions (essay, creative arts & writing); book donations• Career counselling
Recipients/Beneficiaries	<ul style="list-style-type: none">• Public and private schools• Primary & secondary• 1 adopted school in every geo-political zone (6)• Scholarships in adopted schools• Largely schools in urban areas	<ul style="list-style-type: none">• Largely public primary and secondary schools• Scholarships for tertiary• Schools close to manufacturing plants randomly selected• More rural reach
Scope of partnerships	<ul style="list-style-type: none">• Partnerships with government, but as the controlling party	<ul style="list-style-type: none">• No partnership with government – engagement largely to obtain approvals

Findings

▶ **Motivations**

- ▶ Filling a governance gap
- ▶ Stakeholder in community/strengthening community relationships
- ▶ Brand and reputation building
- ▶ Improving competitive context

Findings

▶ **Implications**

- ▶ Deepening disparities - Access, Quality & Equity
 - ▶ Scholarships are merit-based, not means-tested
 - ▶ Location of operations a determinant of areas of CSR investment
 - ▶ Less contributions towards special needs
 - ▶ Teacher development programmes largely ignored
- ▶ Sustainability: indigenous organisation to adopt schools for a lifetime compared to one-off activities
- ▶ Engagement with government
 - ▶ Mostly for approvals but indigenous more likely to adopt a participatory approach
 - ▶ Form of PPP without shared risks

Research question 1 – focus & trend of CSR in education

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- ▶ The major form of CSR contribution to education by Nigerian companies is financial resource, with little to no engagement in the direct provision of education, either wholly or on a contractual arrangement
- ▶ There are no indications of contribution of innovative interventions such as witnessed from ICT companies
- ▶ No evidence of attempts to directly or indirectly influence policies on learning processes such as curriculum design.
- ▶ Contributions largely uncoordinated and fragmented

Research question 2 – motivations for CSR in education

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- ▶ Nigerian companies profess that the CSR initiatives undertaken are more philanthropic with the aim of addressing a 'need', findings reveal that, these philanthropic engagements are laced with business interests
- ▶ In the short run, the business expect to improve company reputation and brand recognition while strengthening community relationships.
- ▶ For long term benefits of investing in education, the companies look forward to improving their competitive context by way for investing in future markets (customers/clientele) and workforce

Research question 3 – Implications & Limitations

- ▶ Reducing reliance on government
- ▶ Culture of dependence is growing with schools and communities looking up to companies as best alternatives to government support
- ▶ Corporate philanthropy by Nigerian companies appear to be reinforcing age-long regional disparities in education across the country – further deepening the north-south and rural-urban divide

Recommendations for further research

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- ▶ Need to understand the magnitude of contributions
- ▶ How contributions may be harnessed to aid the achievement of global goals, taking into consideration the potential impact on the role of government.
- ▶ Additionally, it would be interesting to explore deeper the potential influence of the corporate sector in educational policies at regional and national levels



Thank you

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