



CORPORATE ATTRIBUTES AND FIRMS' DISCLOSURE OF CORPORATE SOCIAL RESPONSIBILITY: AN INSIGHT INTO NIGERIAN LISTED COMPANIES.

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Abstract

The financial reports that incorporate economic, social, environmental and governance information raised a global concern in the recent times due to its shortcomings weaknesses on the conventional financial reports. The disclosure of corporate social responsibility will not only enhance stakeholder's decisions but might be crucial to the survival of the business organisation. The disclosure of performance of the organisation should be evaluated in terms of the economic (profit), social (people) and the environment (planet factors). Based on this, effort is required towards making the disclosure of corporate social responsibility not voluntary but mandatory worldwide. Therefore, this study investigates the relationship between corporate attributes and firms' disclosure of corporate social responsibility in Nigerian listed companies. Out of the one hundred and seventy-seven (177) total population of companies listed in Nigeria between 2016 and 2020, a sample of one hundred and twenty-two (122) companies were randomly selected and analysed with the use of ordinary least square regression techniques. The result of the fixed effect estimation showed that firm size and profitability had a positive and significant relationship with firms' disclosures of corporate responsibility at 5 % level while leverage has negative and insignificant relationship with firms' disclosure of corporate social responsibility in Nigerian listed companies. Hence, the study recommends to the stakeholders of the Nigerian listed companies that they should encourage the management of their companies to invest more on the size of the company and profitability because of their positive impact on enhancing disclosure of corporate social responsibility that would enhance their decision making. In addition, leverage should not be encouraged because it would reduce the disclosure of Nigerian listed companies' corporate social responsibility.

Keywords: Agency Theory; Corporate Social Responsibility Disclosure; Corporate Attributes; Stakeholders Theory.

INTRODUCTION

In the recent times, the disclosure of firms' corporate social responsibility is shown much concern by stakeholders because of its impact on business activities. Corporate social responsibility includes governance and social-environmental activities like staff welfare, pollution and emission, engaged in by the organisation. These activities may have a cost effect on the financial performance of the organization. Consequently, the stakeholders may be willing to have more



comprehensive disclosure outside the conventional financial performance that will enable them evaluate the impact of the organisation's social, economic and environmental activities towards the host community.

The conventional financial reporting which only discloses financial information is focused only on the economic activities of the firm. However, according to Wang (2017), the absence of social-environmental information disclosure will lead to a deficiency in the total information required by stakeholders to make credible decisions. Therefore, for a business organisation to provide full disclosure of information that will help them maximize the owners' value, the disclosure of corporate social responsibility (CSR) becomes necessary. Disclosure of CSR is the extent companies incorporate social and environmental engagements in their accounting measurements and disclosures. The disclosure of CSR is gathering global business practices and is capable of improving financial performance of firms and establishing corporate legitimacy for companies (Tiamiyu & Oyekunle, 2021).

The disclosure of CSR is observed to be mandatory by some countries while it is voluntary in other countries. In France, The United Kingdom (UK), Denmark and many other developed countries, according to Abdulhaq and Muhamed (2015), disclosure of CSR is made mandatory. However, in developing countries like Nigeria, according to Ofoegbu, Odoemelam, and Okafor (2018) disclosure of CSR is made voluntary. The implication of voluntary disclosure of CSR is that many business organisation might choose to engaged in disclosure of CSR for one reason and the other. For instance, according to Soyinka, Sunday, and Adedeji (2017), business organisation might voluntarily disclose their CSR in order to reveal performance, in terms of the size, leverage, profitability and liquidity of the company are been affected by the social-environment activities.

Essentially, prior studies (for examples, Haque, 2017; Lucia & Panggabean, 2018) have been indicated particularly in other countries on how firms' disclosure of CSR affected corporate attributes (i.e., firm size, leverage, profitability). However, in Nigeria, to the best of the researchers' knowledge, except Sulaiman, Aruwa, and Khadijah (2018) and Tiamiyu and Oyekunle (2021), scarcity of current empirical evidence still existed in the body of literature. In addition, the study of Sulaiman, Aruwa, and Khadijah (2018) and Tiamiyu and Oyekunle (2021) did not examine all companies listed on the Nigerian Stock Exchange. Therefore, this study seeks to fill this gap by extending the scope to cover companies listed in Nigeria to empirically investigate the relationship between corporate attributes and the disclosure of CSR practice. Against this backdrop, the following question is raised to be addressed in this study: what is the relationship between firm size, leverage, profitability and firms' disclosure of CSR in Nigerian listed companies?

The broad objective of this study is to investigate the extent corporate attributes are related to the firms' disclosure of CSR in Nigerian listed companies, while the study specifically aims to examine the relationship between firm size, profitability, leverage and firms' disclosure of CSR in Nigerian listed companies.

The following null hypotheses are formulated in the study:



H0₁: The relationship between firm size and firms' disclosure of CSR in Nigerian listed companies is not significant.

H0₂: The relationship between firm profitability and firms' disclosure of CSR in Nigerian listed companies is not significant.

H0₃: The relationship between firm leverage and firms' disclosure of CSR in Nigerian listed companies is not significant.

LITERATURE REVIEW

Conceptual Review

Firms' Disclosure of Corporate Social Responsibility

Disclosure of CSR is defined by various researchers. To Gray, Javad, Power, and Sinclair (2001), disclosure of CSR is defined as a financial reports providing environmental and social information about the firm and the extent it has affected the stakeholders. According to Belal and Cooper (2011), disclosure of CSR is the communication of environmental and social activities of the firm and how it affects the stakeholders. Similarly, disclosure of CSR was defined by Ali and Rizwan (2013) as a process in which a firm provides environmental information and how it is relates to human resources, projects and activities involved by the firm in the community, the provision of safety and quality products by the firm and other social services provided by the firm. However, this study defines disclosure of CSR as firm's disclosure of both financial and non-financial information in the financial reports/statements to enhance the firm's reputation and stakeholders' decision making.

Corporate Attributes

Lang and Lundholm (1993) define corporate attributes as wide varieties of information disclosed by a firm in the financial statements that shows the firms' accounting and performance information. Corporate attributes is a behavioral way of operations designed by the management to enable them achieve their objectives. Corporate attributes according to Stainer (2006) are based on the relevant information disclosed on the financial statements to reflect the firm's financial performance in the period of operation. Corporate attributes according to Alhazmi (2017) includes; size, growth, age, profitability, leverage, industry type and environmental sensitivity of a firm.

Firm size covers the economic value of the resources which include the assets which the companies put into production that result in operating performance within a specified period. Dyduch and Krasodomska (2017) point out that larger companies in terms of value of assets engage in more diversification of investment with high market for their products and with diverse stakeholders, hence required to engage in more on disclosure of CSR. Firm profitability shows the profit performance (i.e., profit after tax) of the firm for a period of operation. A high profit firm may disclose more social responsibility than a low profit firm because they have the financial strength to make such disclosures. Uwuigbe and Egbide (2012) state that firm leverage shows how much of outside fund employed by the firm compared to the total assets used for the production, that is,



total debt to total assets. In addition, Uwuigbe and Egbiide (2012) observe that a firm with high leverage might not have the choice of disclosing much CSR.

Theoretical Review

Stakeholders' Theory

This theory was developed by Freeman in 1984 and according to Ucheagwu, Akintoye, and Adegbe (2019). The theory assumes that companies have many stakeholders (i.e., creditor, employees, government and others) hence the stakeholders expect full disclosure of information. In addition, Frynas and Yamahaki (2016) state that the stakeholder theory assumes that stakeholders reward firms that do engage in corporate social responsibility disclosures, hence, the more the firm increases in size, profit and leverage, the more it engages in disclosure of CSR. Similarly, Bruns (2017) state that since stakeholders are salience and that the level of firm leverage, size and profitability relates to cash-flows of the firms, it is expected that corporate attributes would have a positive effect on the firm's disclosure of CSR. The Stakeholders' theory is relevant to this study because it addresses the social-environmental cost elements and its inclusion in the financial statements that will enhance disclosure of information. Therefore, corporate attributes are predicted by this theory to have a positive correlation with firms' disclosure of CSR.

Agency Theory

This theory was propounded by Alchian and Demsetz in 1972 based on the relationship between firm's owners and the management of the firm. The theory was established based on the separation of ownership and control that existed in the organisation and as a result, this has created a difference in interests and information asymmetric. Managers are having more information about the business than the owners and they are using such information for their personal interest against the owners' interest. Therefore, the agency theory assumed that the more the firm increases in size, profitability and leverage, the more it engages in disclosure of CSR in order to avoid conflict of interest between the owners and management (Reverte, 2009).

Empirical Review

To identify the gap in extant literature, this study has reviews prior empirical studies and categorised the review into studies in other countries and Nigeria. This is discussed as follows:

Other Countries

In India, Makori and Jagongo (2013) used a sample of fourteen (14) quoted companies to investigate whether there is a significant relationship between profitability and environmental disclosure by firms. The multiple regression result in the study showed that that there was a significant association between profitability and environmental disclosure. Naser and Hassan (2013) adopted multiple regression approach to analysed the data collected from listed non-financial companies at Abu Dhabi Securities Exchange and the results showed that firms' disclosure of CSR had a positive relationship with firm size and profitability.



Variables were identified by Burgwal and Vieira (2014) and were used to examine a sample of twenty-eight (28) Dutch listed firms' disclosures of CSR for the period of 2008. The study found a positive but insignificantly association between environmental disclosure and size of the firm and its profitability. Hundred (100) firms listed on Bombay Stock Exchange were used by Kansa, Joshi, and Batra (2014) to examine how firm attributes affects the level of CSR disclosure. It was revealed in the study that the size of the firm was positively affected by firm disclosures of corporate social in India. A period of 2009 was used by Sulaiman, Abdullah, and Fatima (2014) to examine how firm profitability, firm size and leverage affected environmental disclosure in Malaysia. The study found a significant and positive association between firm leverage, firm size and environmental disclosure of the firms.

A sample size of thirteen (13) listed firms were used by Nawaiseh, Boa, and El-shohnah (2015) to find out whether firm size and profitability affects the disclosure of CSR in Jordan banks. A mixed result was indicated between firm profitability and disclosure of the bank CSR. In addition, it was established by the study that the size of the bank had no significant effect on its CSR disclosures. The determinants of environmental disclosures were tested by Dibia and Onwuchekwa (2015) and the study used a sample of fifteen (15) oil and gas companies in Nigeria for the period from 2008 to 2013. The regression analysis revealed in the study that no significant association is found between leverage, company profitability, size of firm and the disclosure of oil and gas companies' CSR.

The disclosure of Jordanian firms' CSR proxies by firms' employees and environmental activities was used by Nawaiseh (2015) to find out how they are related with company size and financial performance. From the regression analysis in the study, it was shown that the size of the firm had a positive and significant effect on the disclosures of CSR of the firms. Similarly, in Kuwait, disclosure practices by firms were tested by Al-Ajmi, Al-Mutari, and Al-Duwaila (2015) and the study covered data from the period of 2012. The regression estimation result showed that firm size and firm profitability were significantly affected by Kuwait firm disclosure of CSR. However, the study reported insignificant effect between leverage and social responsibility disclosure. Data were collected in Saudi Stock Exchange by the study carried out by Abdulhaq and Muhamed (2015) and used to test the determinants of firms' CSR. Content analysis was used by the study and the regression analysis method showed that Saudi companies' disclosure of CSR was significantly influenced by the size of the corporation.

Two hundred and sixty-seven (267) Saudi non-financial listed firms were used by Habbash (2016) to examine the firms' disclosure of CSR. The study covered the period of 2007-2011 and used content and multiple regression analyses method to analyse the data. The outcome of the study showed that firm leverage was negatively related, but firm size was positively related to Saudi firms' disclosure of CSR. Hu, Zhu, and Hu (2016) investigated how firms' variables affect the disclosure of firms' CSR in China. A sample of one thousand, eight hundred and seventy-two (1872) listed firms for 2010 were examined by the study and the regression outcome revealed that firm size and profitability had positive and significant effect on the disclosure of firms' CSR. Firms' disclosure of CSR was investigated by Ompusunggu (2016) and the study found out how it relate to profitability for the period of 2010 to 2012. Sixty-three (63) firms were examined by



the study and the multiple regression results indicated that profitability had a significant effect on the disclosure of CSR. Giannarakis, Konteos, Zafeiriou, and Partalidou (2016) used the data from United States (US) companies to examine the effect of CRS on financial performance from 2009-2013. The regression results of the study showed the firms' disclosure of CSR had a significant and positive effect on financial performance.

In Saudi, listed firms' disclosure of CSR was examined by Issa (2017) and the study found out how it was affected by corporate factors. In addition, the study used a sample of one hundred and nine (109) and it was shown by the regression analysis that firm size had a positive and significant impact on firms' disclosure of CSR. Ozigi, Said, and Daud (2017) in Malaysia tested firms' disclosures of CSR and how it related to firms attributes the period of 2010 to 2015. Two hundred and fifty-three (253) companies were used by the study and the regression outcome of the study showed that company size is positively related to firms' disclosure of CSR. Alhazmi (2017) used the data from Saudi listed firm and examined whether firms' disclosure of CSR relates to firm attributes for a five-year period. The sample used was five hundred and forty-five (545) companies and the regression analysis outcome showed that the size of the firm had a significant effect on firms' disclosure of CSR.

Firms' disclosure of CSR were investigated in Dutch by Bruns (2017) and the study found out how it was related to firms attributes for a sample of sixty-eight (68) firms. The regression analysis outcome of the study showed that firm leverage was not significantly related to firms' disclosure of CSR but firm profitability was significantly related to firms' disclosures of CSR. Elshabasy (2017) assessed whether corporate characteristics relate to firms' disclosure of CSR and the study used a sample of fifty (50) firms listed in the Egyptian Stock Exchange for the period 2007-2011. The multiple regression analysis outcomes showed that except firm profitability, that there was insignificant relationship between firm leverage, size and firms' disclosure of CSR. In Jordan manufacturing companies, Bani-Khalid, Kouhy, and Hassan (2017) explored how corporate characteristics affect firms' disclosure of CSR. The regression result indicated that firm size and firm profitability were not significantly associated to firms' disclosure of CSR. Firms' disclosure of CSR was examined by Welbeck, Owusu, Bekoe, and Kusi (2017) in Ghana for the period 2003 to 2012 and the study used regression method to analyse the data. It was shown by the study that the size of the firm had a significant relationship with firms' disclosure of CSR. The relationship between disclosure of CSR and financial performance in Egypt for the period 2008 to 2011 was examined by El-Moslemany and Etab (2017), the relationship between disclosure of CSR and financial performance in Egypt for the period of 2008 to 2011. The study tested the data of three (3) banks and the regression analysis result indicated that profitability had no significant relationship with disclosures of CSR.

In Nigeria



In Nigeria, firms' financial performance was used by Uwuigbe and Egbide (2012) to investigate the disclosure of firms' CSR for the period 2008. The study considered a sample of forty-one (41) listed firms and employed multiple regression analysis to analyse the data. The result showed that the leverage level and profitability of the firm had significant effect with firms' disclosures of CSR.

In Oil and Gas firms in Nigeria, Ebiringa, et al. (2013) used a sample of twenty (20) quoted companies for the period of 2011 to examine the effect of profitability on firms' disclosure of CSR. It was revealed by the regression analysis in the study that except the size of the firm, but firm profitability has a significant and positive effect on firms' disclosure of CSR. Both financial and, non-financial variables were used by Farouk (2013) for the period 2005 to 2011 to test banks CSR. The multiple regression techniques showed in the study that firm leverage has positive and significant effect on bank disclosure of CSR.

Nigerian firms were used by Ohidoa, Omokhudu, and Oserogho (2016) to investigate the determinants of environmental disclosure. Regression results in the study established that there was positive but no significant association between size of the firm, leverage and the Nigerian firms' environmental disclosure. Twenty (20) attributes used by Umoren, Isiauwe-Ogbari and Morenike (2016) in Nigeria to investigate how forty-five (45) companies' disclosure of CSR affects the attributes for the 2013 to 2014. The regression result in the study revealed that the disclosures of the firms' CSR were significantly affected by the size of the firm.

Soyinka et al. (2017) in Nigeria explored the data from quoted banks on the Nigerian Stock Exchange to investigate how bank's disclosure of CSR relate to firms attributes. The study used regression analysis method to test the data and the outcome indicated that there was a positive and significant effect between disclosure of CSR and firm leverage and profitability. The effect of firm characteristics on environmental reporting practices was examined by Benjamin, Okpanachi, Nyor and Muhammad (2017) in Nigeria. The study covered data from listed manufacturing firms in Nigeria from 2000 to 2015 and adopted the regression model. The result revealed that firm size, leverage, profitability and firm age were positively associated with environmental disclosure practices among listed manufacturing firms in Nigeria. Abada and Okuma (2017) explored the data from Brewery companies in Nigeria and examined how disclosure of CSR related to firm's attributes for the period of 2012 to 2015. The study adopted multiple regression method to analysed the data and the outcome of the analysis revealed that firm size had a significant and positive relationship with disclosure of CSR.

In the Nigerian oil and gas companies, Mohammed (2018) analysed the effect of disclosure of CSR on corporate characteristics. The study adopted regression analysis method to analysed the data and the outcome of the analysis established that the size of company had positive and significant effect on disclosure of CSR. However, firm leverage was found to have no significant effect on disclosure of CSR in Nigeria. The study of Sulaiman, Aruwa, and Khadijah (2018) investigated the relationship between firm characteristics and environmental disclosure of listed oil and gas firms in Nigeria for the period of seven years (2010-2016). The study covered a total population of twelve (12) firms with a sample size of ten (10) firms. The study prixies firm



characteristics by firm size, firm age and profitability while binary codification was used for natural wealth disclosure by the study. Panel binary logistics regression was used by the study to analyse the data and the result showed that firm size and firm profitability had a negative insignificant relationship with natural wealth disclosure while firm age had positive significant relationship with natural wealth disclosure.

The relationship between firm characteristics and sustainability reporting practice of listed manufacturing firms in Nigeria was investigated by Tiamiyu and Oyekunle (2021) firm characteristics and sustainability reporting practice of listed manufacturing firms in Nigeria for the year 2020. The study used secondary data sources and the used regression analysis approach to analysed the data. The findings of the study revealed that firm size has positive and significant influence on sustainability reporting. In addition, the study found that firm profitability had negative influence on sustainability reporting.

From the foregoing, we observed that studies on the relationship between corporate attributes and firms’ CSR particularly in Nigeria is scarce and the few studies did not cover data from companies across the sectors. This is the gap this study attempt to fill.

Therefore, Figure 2.1 below is the conceptual model used as the means to describe the relationship between corporate attributes and firms’ disclosure of CSR in Nigerian listed companies.

Independent Variable:

Corporate Attributes (proxies; firm size, profitability and leverage).

Dependent Variable:

Firms’ Disclosure of Corporate Social Responsibility.

Authors’ Conceptual Framework, 2021

METHODOLOGY

Ex-post facto research design is adopted by this study because it allows the study to use historical data. The study adopts secondary source of data and the data were collected from the annual reports and accounts of a total population of one hundred and seventy-seven (177) companies listed on the Nigerian Stock Exchange (NSE) between 2016 and 2020, making a five (5)-year period of observation. From the total population, the study adopts Yamane (1967) to select a sample size of one hundred and twenty-two (122) companies. This approach is adopted because according to Yamane (1967), it would enable the researcher to represent above half of the total population as a sample size which will enhance generalization. In addition, the study employs ordinary least square regression method to analyse the data. For robustness, the study uses the Hausman Test to select the best interpretation of results between Fixed Effect (FE) and Random Effect (RE). Data were analysed through the use of Eview Version 9.0 statistical software package at an alpha (α) level of 5% (p≤0.05).

The study adapts Hieu and Lan (2015)’s model and specified:

$$FDCSR_{it} = \beta_0 + \beta_1 FS_{it} + \beta_2 FL_{it} + \beta_3 FP_{it} + \epsilon_{it}$$



Where;

FDCSR represented firms’ disclosure of CRS and is measured by “1” for firm discloses CSR otherwise “0”

FS represents the size of firm and measured as natural logarithm of the firm’s total assets.

FL represents the firm leverage and measured as total debt divide by total assets.

FP represents the firm profitability and measured as total profit after tax divide by total assets.

β_0 = Constant

β_1, β_3 = Coefficients of slope parameters

ε_{it} = The error term.

Apriori Expectation = $\beta_1, \beta_2, \beta_3 > 0$

RESULTS AND DISCUSSIONS

The outcomes of the data collected and analysed (Eview Version 9.0 statistical software package) are presented in tables, interpreted and discussion of findings.

Table 1 Descriptive Statistics

	<i>FDCSR</i>	<i>FP</i>	<i>FL</i>	<i>FS</i>
<i>Mean</i>	1.02	2.96	22.09	1.09
<i>Median</i>	2.03	3.00	21.00	2.21
<i>Maximum</i>	2.11	31.44	67.91	5.99
<i>Minimum</i>	0.00	-10.33	-22.29	-0.03
<i>Std. Dev.</i>	0.23	4.11	10.41	2.15
<i>Skewness</i>	-1.49	0.29	-11.61	0.09
<i>Kurtosis</i>	2.63	3.98	2.00	2.39
<i>Jarque-Bera</i>	802.03	1109.34	22092.02	14.90
<i>Probability</i>	0.00	0.00	0.00	0.00
<i>Observations</i>	610	610	610	610

Source: Authors’ Computation, 2021

On table 1, there are mean values of *FDCSR*, *FP*, *FL*, *FS* are 1.02, 2.96, 22.09 and 1.09 respectively, while their maximum and minimum values are (2.11, 0.00), (31.44, -10.33), (67.91, -22.29) and (5.99, -0.03) respectively. The large difference between the minimum and maximum values showed that the firms’ data used for the study are homogeneous. In addition, the result showed that the variables have skewness that is not far from zero (i.e., -1.48, 0.29, -11.61, 0.09) and kurtosis that is not far from three (2.62, 3.98, 2.00, 2.39) therefore implying that the firm’s data were normally distributed.

Correlation Analysis

Table 2 Correlation analysis



<i>Variables</i>	FDCSR	<i>FP</i>	<i>FL</i>	<i>FS</i>	<i>Tolerance</i>	<i>VIF</i>
FDCSR	1.00					
<i>FP</i>	0.23	1.00			0.11	1.09
<i>FL</i>	-0.17	0.02	1.00		0.12	1.21
<i>FS</i>	0.40	-	0.22	1.00	0.13	1.37

Source: Authors’ computation (2021).

It was found in table 2 that corporate firm profitability and size has positive correlation with firms’ disclosure of CSR. However, firm leverage has a negative correlation with the firms’ disclosure of CSR. Absence of multicollinearity is provided by the Variance Inflation Factor (VIF) values of the explanatory variables because the numbers (i.e., 1.09, 1.21, 1.37) are less than ten (10).

Table 3 Ordinary Least Square Regression Analysis of Result

<i>Variables</i>	<i>Predicted Sign</i>	<i>FE Estimate</i>			<i>RE Estimate</i>		
		<i>Coeff.</i>	<i>T-Stat.</i>	<i>Prob.</i>	<i>Coeff.</i>	<i>T-Stat.</i>	<i>Prob.</i>
<i>C</i>		-0.11	-0.29	0.00*	-0.34	-0.03	0.00*
<i>FP</i>	+	0.66	0.14	0.03*	0.25	0.31	0.00*
<i>FL</i>	+	-0.14	-	0.09	-0.20	-0.13	0.07
			0.29				
<i>FS</i>	+	0.22	0.01	0.00*	0.26	0.15	0.00*
<i>R-Sq.</i>							
		0.78			0.72		
<i>Adj R-sq.</i>							
		0.24			0.20		
<i>F-stat.</i>							
		12.02			14.55		
<i>Prob.</i>							
		0.00			0.00		
<i>Durbin-Watson stat.</i>							
		1.73			1.66		

Source: Authors’ computation (2021).

*Connote p < 0.05.



From table 3, the outcome of FE showed that firm profitability has a probability value of 0.03 less than 5% and a coefficient of 0.66, thus, suggesting that firm profitability has a positive and significant relationship with firms' disclosure of CSR in Nigerian listed companies. The firm leverage has a probability value of 0.09 greater than 5% and a coefficient of -0.14, thus suggesting that firm leverage has a negative insignificant relationship with firms' disclosure of CSR in Nigerian listed companies. In addition, firm size has a probability value of 0.00 less than 5% and a coefficient of 0.22, thus, suggesting that firm size has a positive and significant relationship with firms' disclosure of CSR in Nigerian listed companies.

The outcome of RE showed that firm profitability has a probability value of 0.00 less than 5% and a coefficient of 0.25, thus, suggesting that firm profitability has a positive and significant relationship with firms' disclosure of CSR in Nigerian listed companies. The firm leverage has a probability value of 0.07 greater than 5% and a coefficient of -0.20, thus, suggesting that firm leverage has a negative insignificant relationship with firms' disclosure of CSR in Nigerian listed companies. In addition, firm size has a probability value of 0.00 less than 5% and a coefficient of 0.26, thus, suggesting that firm size has a positive and significant relationship with firms' disclosure of CSR in Nigerian listed companies.

Furthermore, the outcome of FE and RE shows that R² has 0.78, and 0.72 respectively suggesting that only 22% and 28% of the dependent variable cannot be explained by the study. In addition, the result of Durbin-Watson statistic on FE and RE (i.e., 1.73, 1.66) which are very close to 2.00 suggests absence of the problem of multicollinearity in the regression model, thus implying that the models are fit in the study (Mundfrom, Smith, & Kay, 2018).

For appropriate selection between FE and RE, table 4 presents the summary of Hausman Test result.

Table 4 Summary Result of Hausman Test

<i>Model</i>	<i>Chi-sq. stat.</i>	<i>Prob.</i>
1	2.10	0.02

Source: Authors' computation (2021).

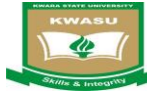
The outcome of table 4 indicates that the Hausman Test showed a probability value less than 0.05, thus, suggesting that FE was appropriately interpreted in the study.

Test of Hypotheses

Hypothesis One: The result of the FE revealed that firm size has a positive and significant relationship with firms' disclosure of CSR at 5% thus, suggesting that the null hypothesis one (H₀₁) that says the relationship between firm size and firms' disclosure of CSR in Nigerian listed companies is not significant should not be accepted.

Hypothesis Two: It was revealed by FE that firm profitability has a positive and significant relationship with firms' disclosure of CSR, thus suggesting that the null hypothesis two (H₀₂) that says the relationship between firm size and firms' disclosure of CSR in Nigerian listed companies is not significant should not be accepted.

Hypothesis Three: It was indicated by the FE that firm leverage has negative and insignificant relationship with firms' disclosure of CSR, thus suggesting that the null hypothesis three (H₀₃) that says the relationship between firm leverage and firms' disclosure of CSR in Nigerian listed companies is not significant should be accepted.



Discussion of Findings

First, the result of the analysis showed that firm size has a positive and significant relationship with firms' disclosure of CSR in Nigerian listed companies. The implication of this result is that if the Nigerian listed firms increase their size in term of assets by one scale, it would lead to increase in disclosure of their CSR. In addition, this result agrees with the positive prediction of stakeholders and agency theories which states that increase in the business activity will enhance the firm's disclosure of CSR. Also, this result collaborates with the position of Tiamiyu and Oyekunle (2021), Mohammed (2018), Soyinka, et al. (2017) and Abada and Okuma (2017) that have a similar finding. However, the outcome of this in not consistent with the result reported by Bani-Khalid, et al. (2017) in Jordan.

Second, it was revealed in the study that firm profitability has positive and significant relationship with firms' disclosure of CSR in the Nigerian listed companies. The implication of this is that if the Nigerian listed companies increase their profits by one scale, it would lead to increase in their disclosure of CSR. The result agrees with the positive assumption of stakeholders and agency theories that states that increase in the business activity will enhance the firm's disclosure of CSR. Also, this finding collaborates with the findings indicated by Bani-Khalid, et al. (2017), Soyinka, et al. (2017), and El-Mosleman, et. al. (2017) but disagreed with the study of Issa (2017).

Lastly, the study found that firm's leverage has a negative and insignificant relationship with firms' disclosure of CSR in Nigerian listed companies. The implication of this is that if the Nigerian listed companies increase leverage by one scale, it would lead to a decrease in their disclosure of CSR. The result does not support the positive assumption of stakeholders and agency theories between the relationship of firm leverage and disclosure of CSR. In addition, the result disagrees with the study carried out by Mohammed (2018) and Elshabasy (2017) but agrees with the result provided by Habbash (2016) who found a negative relationship between firm leverage and firms' disclosure of CSR.

CONCLUSION AND RECOMMENDATIONS

The study examined the relationship between corporate attributes and firms' disclosure of CSR in Nigeria. The study covered one hundred and twenty-two (122) out of one hundred and seventy-seven (177) companies listed on the NSE as at December, 2020. Following the empirical studies, corporate attributes which is the independent variable was proxies to be firm size, firm leverage and firm profitability, while firms' disclosure of CSR is the dependent variable. The outcome of the ordinary least square regression established that firm size and profitability had positive and significant relationship with firms' disclosure of CSR Nigeria. However, it was found that firm leverage had negative and insignificantly relationship with firms' disclosures of CSR in Nigeria. Hence, the study concludes that increase in the firm size and profitability would significantly lead to increase in the disclosure of CSR by the companies listed on the NSE.

Based on the findings of this study, it is recommended to the stakeholders of the Nigerian listed companies that they should encourage the management of its companies to invest more on the size



of the company and profitability because of their positive impact on enhancing disclosure of corporate social responsibility that would enhance their decision making. In addition, leverage should not be encouraged because it would reduce the disclosure of CSR of companies listed on the NSE.

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