

Environmental Dimension of Corporate Social Responsibility and Corporate Reputation Among Customers of Telecommunication Services in Bauchi

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Abstract

This study examined the causal relationship between the environmental dimension of corporate social responsibility and corporate reputation in the telecom industry in Nigeria, and the overall perception about a firm's past behaviour and outcomes from the view point of customers. A cross-sectional survey research methodology is employed using a population of 210,782 people picked using a multi-stage sample process and a structured questionnaire was used to elicit information. The result of the correlation shows that Environmental dimension shows positive, stronger and significant relationship ($p < 0.000$) between economic dimension of corporate social responsibility with the respondents' perception on corporate reputation ($r = 0.844$). Based on the literatures, the study concluded that MTN held a very good reputation in the eyes of its subscribers. Therefore, the study recommended that the MTN Nigeria had to use environmental dimension of corporate social responsibility critically with the view to improving perception of stakeholders toward its effort on engaging in corporate socially responsible activities in order to enhance its overall corporate reputation.

Keywords: *Corporate Reputation, Corporate Social Responsibility, Environmental Dimension, Telecom Industry.*

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Background to the Study

The real indicator of a company's reputation goes much beyond its financial performance in a time when social consciousness and corporate success have become more and more entwined. It is dependent on the silent but potent opinions of stakeholders, opinions that are influenced by a company's active social and environmental duty as well as its promises. According to Buzzi (2021), a company's reputation is basically the opinion of all parties involved about whether or not it has lived up to expectations. However, how can stakeholders recognize this? The solution is found in the organization's outward displays of social responsibility a complex web of deeds and effects that provide a glimpse into the heart of a business.

In Bauchi's rapidly changing telecommunications industry, where environmental concerns are growing and consumer expectations are rising, comprehending the environmental aspect of corporate social responsibility (CSR) becomes more than just an academic endeavour it becomes a strategic necessity. What is the impact of environmental activities on consumer perceptions? Can a company's environmental impact affect its standing in a society that is becoming more environmentally conscious? These questions, often overlooked, hold the key to unlocking a new paradigm of corporate accountability and competitive advantage. The research ventures into a compelling intersection, examining how environmental responsibility shapes corporate reputation among telecommunications customers in Bauchi, where social and environmental issues are more intertwined than ever. The result redefined how companies engage with their stakeholders in a world where reputation is not just earned but earned through tangible, environmentally conscious actions. The realization that there are enormous benefits to be derived from being socially responsible in the societies they operate; the major advantages of corporate social responsibility are its potentials to bring about sustainable development and contribute to poverty reduction in any given society. Corporate social responsibility is the contributions of the organization to the development of the community in which such organizations is found in term of the Social, Economic, Political, Educational involvements. However, the company is not compelled to do by any law to do it (Blanco *et-al* 2020).

According to Tran & Nguyen (2020), company reputation has a positive effect on the financial aspect and on the development of the company when that reputation ensures organizational customer satisfaction when the product or service in question is used. The long-term benefits of CSR include greater social legitimacy and a better society. CSR assists companies to reduce external and competitive pressures and indeed become more competitive. Hence, it is imperative for companies to engage in CSR. It plays an important role in assisting businesses to fulfil external obligations such as meeting stakeholder's demand and complying with regulations. (Lim, et al 2021). CSR has social, environmental and economic benefits, much like the triple bottom line of sustainability. (Shim, et al 2021). However, Companies that fail to integrate CSR initiatives into their business practices leave themselves open to negative stakeholder perceptions (Igbekoyi, & Ngozi, 2019).

Whilst CSR has social, economic and environmental dimensions, much like sustainability, (ElAlfy, etal.2020). Scientific and managerial interest in corporate reputation has grown at a

rapid pace during the past decades in many industries. It is believed that very little is known about the meaning of corporate reputation, and the effects of corporate reputation in the telecom industry in Nigeria (Leila, Camelia, & Claudia, 2020). Competition has forced business leaders to focus on building the intangible asset of their entity. The name of a company signals distinctive characteristics to its various stakeholders (Yusuf *et al.*, 2018).

Corporate reputation has been adjudged as one of the most strategic and valuable asset business firms can possess. The consequence of poor reputation may destroy not only the financial position of the firm but the probability of future survival. In a nut shell, the probability of future survival of the business firms, Competition in building reputation, monolithic economy which focuses mainly on Oil and gas industries as a major source of its revenue, neglecting manufacturing and service industries to mention but few are problems identify in the literature. Based on the above identified challenges, therefore this study intends to examine the relationship between economic dimension of CSR on corporate reputation in telecom industry in Bauchi.

Literature Review

Concept of Corporate Reputation

Corporate reputation is an evolving concept, with a myriad of differing conceptual approaches, methodologies and arguments, which result in numerous definitions (Singh, & Misra, 2021). However, they share certain common characteristics. Firstly, corporate reputation is long-term by nature, evolving over time as a result of consistent performance (Baruah, & Panda, 2020).

Secondly, corporate reputation is based on direct experience or persuasive indirect information, which generates the attitudes and emotions of an individual (or group) towards the organization (Aljarah, 2020). Hence, reputation is a consequence of corporate identity, performance and communication, all of which form the beliefs and attitudes of stakeholders and citizens towards the company. The study of corporate reputation is increasingly gaining attention from scholars and practitioners (Baah, Jin, & Tang, 2020). It is believed that the intangible attributes of companies such as corporate reputation are more durable and resistant to competitive pressures than product and service attributes (Baruah, & Panda, 2020). And thus, they may serve companies better in their search for competitive advantage (Hagiu, & Wright, 2020).

Concept of Corporate Social Responsibility

Corporate social responsibility (CSR) is the promise by business organizations to behave in a way that is ethically acceptable and at the same time contributing to the economic development and improvement of the living conditions of the employees, the catchment community and the larger society. It is the set of conditions to which a company relates its impact on society with. The major advantages of corporate social responsibility are its potentials to bring about sustainable development and contribute to poverty reduction in any given society. As a result, firms are increasingly collaborating with stakeholders to come to terms with their views and concerns regarding different environmental, social, corporate governance and economic concerns which are often alluded to as issues of CSR and to incorporate and address those

views and concerns in the company's strategic decision-making processes (Agudelo, Jóhannsdóttir, & Davídsdóttir, 2019; Iglesias, Markovic, Bagherzadeh, & Singh, 2020).

Corporate social responsibility (CSR), relates to the role and obligations expected of business as a creation of modern society. Two opposing schools of thought emerged during the early birth of CSR. While one school argues that businesses should assume some responsibilities in the society beyond their primary economic role, the other stands against. In the latter case, CSR is based on purely its economic role of profit. This is regarded as the “classical view”, based on the neoclassical economic theory while the former which is the “stakeholder view”, is based on stakeholder theory (Branco & Rodrigues, 2007). However, businesses of different sizes and concerns are competing to be seen as socially responsible (Crowther, 2004). Social responsibility has now become the art of every business-oriented organization.

Environmental Dimension of CSR

Environmental dimension refers to the maintenance of natural capital by regulating the impact of human activities (human footprints) on the natural environment. It involves responsible use of renewable and non-renewable resources, regulated pollution and waste assimilation. The dimension of environmental sustainability is prominently described by the principle of environmental integrity which requires that people's actions need not destroy the earth's land, air and water resources. Recent research established that institutional isomorphism is prevalent in the context of environmental sustainability. However, variables of sustainability implementation, performance, monitoring and evaluation have not yet been satisfactorily examined in literature.

Zhu and Sarkis (2015) established that firms are influenced by coercive isomorphic pressures, especially manufacturers being the top polluters and responsible for much of the depletion of resources more than their counterpart firms, as such, they are subjected to more external pressure. A study in Malaysia by Hsu, Tan, Zailani and Jayaraman (2017) also established that manufacturers were driven by coercive pressures to practice environmental dimension in their operational processes. In their study, they established that competitor pressure and regulatory pressures were the most influential ones. On the other hand, the significance of isomorphic pressures pertaining to the implementation of sustainable practices is getting increasingly paramount. By so doing, it is imperative to research isomorphism in environmental sustainability as a most likely phenomenon.

The theoretical framework for this study is grounded in two major theories;

Achie Carroll's CSR Pyramid Theory (1991)

This study adopts the Achie Carroll's CSR Pyramid theory. One of the most used and quoted models of CSR is Carroll's 1991 Pyramid of Corporate Social Responsibility. Carroll considers CSR to consist of four social responsibilities; economic, legal, ethical and philanthropic, with decreasing importance in that order.

Social Expectations Approach

This widely used approach is based on the premise that stakeholders evaluate corporate

activities based on expected corporate behaviour within society. Numerous authors find that items of corporate reputation are culturally biased, as they are determined by the specific social, economic, political and technological features of a country or region (Ponzi et al. 2011; Gardberg 2006; Walsh/Wiedman 2004; Craig/Douglas 2000). Furthermore, Blindheim (2015) found a strong case for different CSR forms across national contexts, determined by significant differences in the way that CSR and ethics is perceived and valued by different cultures.

Methodology

This paper adopts the views of other researchers from existing literatures and other relevant documents. This research by deductive approach was able to adopt this method due to availability of literatures that can be able to provide all the required information needed. However, below is the population of the study used.

Population of the Study

The researcher's target populations were 210,782 MTN subscribers within Bauchi Metropolis. sample size of 384 MTN subscribers were carefully adopted for the research.

Correlation between Environmental Dimension of Corporate Social Responsibilities and Corporate Reputation

Result and Interpretation

Table 1: Result

Variables (n=393)	R (Correlation Coefficient)	P-Value	Hypothesis
Environmental Dimension	.844	.000	H _{A3} =Supported

Source: Authors' Field survey, (2025)

Interpretation of the Result

Looking at the data from 393 respondents, we found a strong and positive link between how much telecom companies focus on environmental responsibility and how customers perceive their overall reputation. The numbers show a correlation of 0.844, which is quite high, meaning that when these companies put more effort into environmental issues, their reputation tends to improve as well. The p-value is 0.000, which tells us this result is highly significant statistically there's a very low chance that this strong relationship happened just by luck. In simple terms, this supports our initial idea (hypothesis HA3) that there's a positive connection between a company's environmental actions and how it's viewed by customers. It highlights how important environmental responsibility is in shaping customer opinions and boosting the reputation of telecom companies in Bauchi.

Conclusion

The overall objectives of the study are to evaluate how MTN subscribers in Bauchi perceive the company's reputation based on service quality, examine the relationship between the environmental dimension of corporate social responsibility (CSR) and corporate reputation

among MTN subscribers and to determine the significance and strength of this relationship. The study revealed that MTN subscribers in Bauchi perceive the company as having a good reputation, primarily based on their perception of the quality of services offered. The analysis showed a positive and significant relationship ($p < 0.000$) between the environmental dimension of CSR and corporate reputation, with a correlation coefficient (r) of 0.844, indicating a strong association. Therefore, the results suggested that, environmental responsibility is a crucial factor influencing customer perceptions and the overall reputation of MTN in Bauchi. The literature supports this finding, confirming a significant link between environmental CSR and corporate reputation. It is recommended that MTN Nigeria's management critically assess and improve their environmental CSR initiatives to further enhance their reputation.

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