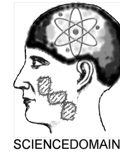
British Journal of Economics, Management & Trade
3(4): 563-574, 2013

SCIENCEDOMAIN *international*
www.sciencedomain.org



Effect of Firm Size and Profitability on Corporate Social Disclosures: The Nigerian Oil and Gas sector in Focus

O. T. Ebiringa[1*], Emeh Yadirichukwu[2], E. E. Chigbu[1] and Obi Joseph Ogochukwu[3]

[1]Federal University of Technology Owerri, Nigeria.
[2]Federal Polytechnic Nekede, Nigeria.
[3]Federal Polytechnic Oko, Nigeria.

Authors' contributions

This work was carried out in collaboration between all authors. Author EY designed and developed the general framework for the study and wrote the first draft of the manuscript. Author OTE performed the statistical analysis, managed the analyses of the study and read and approved the final manuscript. Author EEC the literature searches and author OJO wrote the protocol.

Research Article

Received 5th June 2013
Accepted 25th August 2013
Published 31st August 2013

ABSTRACT

The objective of this paper is to examine the effect of firm size and profitability on the extent of corporate social disclosures by Oil and Gas firms in Nigeria. A sample of twenty quoted companies selected using the simple random sampling technique was utilized for the study. Secondary data retrieved from content analysis of the audited financial reports of the selected companies for 2011 financial year was employed in the study. The ordinary least squares regression technique was used for data analysis. The findings among other shows that an insignificant negative correlation exists between CSR disclosure and firm size. Profitability is significantly positively related to CSR disclosure of the companies. We recommend that there is urgent need for regulatory agencies to develop a CSR disclosure framework that focuses considerably on utilizing firm profitability and providing incentives and penalties as the case may be for firms' corporate social responsiveness level.

Keywords: Corporate social responsibility; firm size; profits; leverage; financial reporting.

**Corresponding author: Email: otebiringa@yahoo.com;*

1. INTRODUCTION

The evolving challenge in contemporary business firms is the need to reconfigure their performance indices to incorporate societal and environmental concerns as part of the overall objective of business. Corporate Social Responsibility (CSR) practices and reporting provides a strategic framework for achieving this holistic re-appraisal of corporate performance [1]. Although it is not a new concept, Corporate Social Responsibility (CSR) remains an interesting area of discourse for academics and an intensely debatable issue for business managers and their stakeholders. Owing to the plethora of definitions linked to the concept, the notion of CSR has led to the emergence of a variety of perspectives [2]. However, the most commonly used definition of Corporate Social Responsibility is that given by the Commission of the European Communities in 2001. According to the Commission, Corporate social responsibility is the integration of social and environmental concerns by companies in their business operations and in their interaction with their stakeholders on a voluntary basis [3]. It suffices to note that the increasing demand for companies to be socially responsible seems to have witnessed considerable perceptual divergences especially within the context of the stakeholder-shareholder debate [4]. The idea which underlies the “shareholder perspective” is that the only responsibility of managers is to serve the interests of shareholders in the best possible way, using corporate resources to increase the wealth of the latter by seeking profits [5]. In contrast, the “stakeholder perspective” suggests that besides shareholders, other groups or constituents are affected by a company’s activities (such as employees or the local community), and have to be considered in managers’ decisions, possibly equally with shareholders [6].The evolution of the theory of CSR redefines the shareholder perspective bringing to the awareness of corporations the need for profit objective to be balanced with social considerations.

In Nigeria, corporate social reporting is still largely voluntary and companies exercise considerable control over the choice to report or disclose their CSR related activities. The motivation for disclosure could be perceived as a purely endogenous function of a company’s evaluation of the cost-benefits of such disclosure and other associated firm specific factors. The effect of economic rationality seems to have held sway as the inducement to corporate social disclosure and its increasing growth especially within the context of voluntary CSR disclosures. The research on corporate social responsibility (CSR) disclosure has attracted much attention over the past three decades. This is largely due to the activities of oil and gas producing firms in the host communities in the Niger-Delta area of Nigeria. The emission of gaseous substances and the discharge of liquid and solid wastes are not without their attendant consequences on the health and socio-economic activities of the people who reside in this area [7].

It should be noted that militancy and kidnapping of expatriates reared their ugly head and reigned supreme in this region as a result of alleged neglect of the oil and gas companies to perform their CSR functions to cushion the effects of the implications of their activities on the people. A socially responsible company irrespective of the effect of its operations on the people will likely receive popular appeal and gain prominence among the host communities [8].

CSR reporting reduces the information gap between the firm and stakeholders and thus lowers the firm’s cost of capital [9]. CSR reporting also provides a channel through which the firm can manage its public image [10]. As observed earlier, the investigation into the determinants of CSR reporting in annual audited reports has seen quite a number of studies focusing on the role of corporate characteristics such as firm size, leverage, and industry,

among others [11]. However, the existing evidence is inconclusive and hence there is need for more studies to provide research evidences across contexts. More importantly, the empirical evidence in this area from developing economies is still largely inadequate and a number of reasons may account for this and of paramount amongst them being the voluntary stance on CSR reporting. However, the study fills this gap by providing empirical evidence from Nigeria in this regards.

2. LITERATURE REVIEW

2.1 The Concept of Corporate Social Responsibility

There have been several definitions for Corporate Social Responsibility (CSR) but the most commonly used definition of Corporate Social Responsibility comes from that given by the Commission of the European Communities in 2001. The commission defines the concept as the practice whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. Corporate social responsibility (CSR) is often seen as a response to pressure from outside stakeholders who may be adversely affected by company practices, or as a pro-active attempt by firms to pre-empt or at least mitigate these pressures and enhance the reputation and value of the corporation [12]. This integration of social and environmental concern is important for sustainable development to restore and protect the environment and conserve it for future generation.

In 1999 the World Business Council for Sustainable Development (WBCSD) defined Corporate Social Responsibility as the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life. Both the definitions by EU commission and WBCSD have ethical concern for integrating social and environmental aspects and contributing sustainable economic development in the business. To improve the quality of life means all the people are meeting their essential needs. CSR has become a key part in the strategies of companies around the globe to promote sustainable development. In brief, the concept of CSR encompasses many dimensions of business activity ranging from the social to economic to the environmental. Some insist that the social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a given point in time[13]. Others argued that the fundamental idea of corporate social responsibility is that business corporations have an obligation to work for social betterment [14].

The basic idea of corporate social responsibility is that business and society are interwoven rather than distinct entities; therefore, society has certain expectations for appropriate business behavior and outcomes [15]. Other contemporary definitions of CSR reflect a narrowing of the term wherein society is replaced by more proximate stakeholders. They argue that CSR reflects societal expectations of corporate behaviour that is alleged by a stakeholder to be expected by society or morally required and is therefore justifiably demanded of a business [14]. In sum, CSR invokes and overlaps with a number of other concepts used to describe the relationship between business and society [16] including corporate social responsiveness [17]corporate social performance and stakeholder management [18].

CSR can be roughly defined as the concerns in business operations, including Environmental dealings with stakeholders. CSR is about businesses and other organizations

going beyond the legal obligations to manage the impact they have on the environment and society. In Environmental particular, this could include how organizations interact with their employees, suppliers, customers and the communities in which they operate, as well as the extent they attempt to protect the environment [3].

However, the subject of CSR has been criticized on several fronts. This is because it is seen as a distraction from the fundamental economic role of business or a nothing more than superficial window dressing. CSR is also seen as aiding business to pose ineffective market-based solutions to social and environmental crises, deflecting blame or problems caused by corporate operations onto the consumer and protecting their interests while hampering efforts to find just and sustainable solutions [19]. It has also been argued that CSR is more of a Public Relation Issue where the companies act mainly in order to appeal to customers' consciences and desires but with the true intention of benefitting themselves. CSR helps companies to build brand loyalty and develop a personal connection with their customers [4].

2.2 Theoretical Framework and Hypotheses Development

2.2.1Stakeholder theory

Stakeholders have been identified as ‘those groups who have an interest in the actions of the corporation [20]. The stakeholder theory has been revisited and redefined stakeholders as any individual or group who has an interest in the firm because he (or she) can affect or is affected by the firm’s activities [21]. Furthermore a stakeholder has been defined a as ‘any individual or group who can affect or is affected by the actions, decisions, policies, practices, or goals of the organization [15]. Stakeholders can be identified by the legitimacy of their claims which is substantiated by a relationship of exchange between themselves and the organisation, and hence stakeholders include stockholders, creditors, managers, employees, customers, suppliers, local communities and the general public. Stakeholder theory suggests that an organisation will respond to the concerns and expectations of powerful stakeholders, and some of the response will be in the form of strategic disclosures [6]. Stakeholder theory provides rich insights into the factors that motivate managerial behaviours in relation to the social and environmental disclosure practices of organisations. Previous social and environmental accounting research which utilised these theories indicate that organisations respond to the expectations of stakeholder groups specifically, and more generally to those of the broader community in which they operate, through the provision of social and environmental information within annual reports, and in so doing reveal the legitimation motives underlying such organization’s disclosures [9].

2.2.2 Company size and corporate social responsibility disclosure

There is considerable consensus in the literature with regards to the effect of company size on CSR reporting. The effect has been identified as positive as a firm size is expected to increase is its information reporting level. There are at least three reasons for this link. First of all, large firms are more willing to disclose information to reduce their political costs, since their higher visibility can easily lead to more litigation and governmental intervention [22]. Secondly, owing to more developed internal reporting system, the costs associated with a higher disclosure level are lower for large firms [23]. Thirdly, smaller firms are more likely to hide crucial information because of their competitive disadvantage within their industry [24].These studies posited that corporate size would be related to social responsibility activities because larger companies are more likely to be scrutinized by both general public and socially sensitive special interest groups [25]. Exploring the relationship between size

and social and environmental disclosures has produced somewhat more consistent results [26]. No relationship has been found between size and social and environmental disclosures [24]. According to the Political Cost Hypothesis of Positive Accounting Theory larger firms have higher political costs due to their visibility which might lead to higher government and society attention [26]. Agency theory and legitimacy theory also contain arguments for a size-disclosure relationship [27]. Also, larger companies have more shareholders who might be interest in social and environmental disclosure. In addition companies with higher visibility tend to report more information to improve corporate image [28].

2.2.3 Profitability and corporate social responsibility disclosure

According to Stakeholder Theory, economic performance of a firm affects management's decision to engage in corporate social and environmental reporting or disclosures. When companies are not performing well, economic demands take precedence over social and environmental responsibility expenditures [29]. Furthermore, such a firm is less likely to have the financial ability to disclose more information to satisfy the needs of the various stakeholders of the company [30]. Stakeholder theory postulates a positive relationship between economic performance and the level of decision by a company to engage in CSR reporting. Profitable firms are more likely to disclose more information in order to screen themselves from less profitable firms [31]. Prior empirical research on the relation between corporate environmental performance and profitability has reported mixed results [32]. Some sought to examine the implications of profitability on environmental issues; others examined the long-term relationship between corporate social and environmental performance and corporate performance, using the percentage change in three pollution measures and various accounting ratios as empirical proxies for environmental performance and corporate [33]. An inverse relation between environmental and corporate performance is in line with the orthodoxy associated with traditional economic thought that depicts this relation as a tradeoff between the firm's profitability and acting on its environmental responsibility [21].

2.2.4 Hypotheses statements

H1: There is a significant relationship between Profitability and the extent of CSR Disclosure by quoted firms in Nigeria.

H2: There is a significant relationship between company size and the extent of CSR disclosure by quoted firms in Nigeria.

3. METHODOLOGY

The design adopted for the study is cross-sectional research design. The design is well suited in examining the several sample units across time. The population of the study covers quoted companies in the oil and gas sector. The population of the study consists of all quoted companies in the oil and gas sector. A sample of 20 companies was selected using the simple random sampling technique. Secondary data were utilized for the study from annul reports for 2011 and content analysis was adopted in extracting the data for the dependent variable. In extracting the information on the extent of CSR disclosure, we also used content analysis. The extent of disclosure can be taken as an indication of the importance of CSR disclosure to the reporting entity[34].We used the ordinary least squares regression analysis as the data analysis method. Four tests were conducted to test the critical assumptions of the OLS regression namely; normality test, the assumption of linearity of the model parameters. Thirdly, is the assumption of homoscedasticity which requires the

variance or standard deviation of the dependent variable within the group to be equal and fourthly is the assumption of independence of error terms. Finally, to test for multicollinearity, this study applies correlation coefficient and diagnostics test for the model.

3.1 Model Specification

The model for the study is specified thus;

$$CSRDISC = F\ (SIZE,\ PROFIT,\ ORIGIN,\ U)\ldots\ldots \quad (1)$$

This can be re-specified in regression form as;

$$CSRDISC = a + \beta_1\ SIZE + \beta_2\ PROFIT + \beta_3\ ORIGIN + U_{it}\ \ldots.. \quad (2)$$

Where:

CSRDISC = CSR Disclosure. This study used content analysis by word to quantify environmental reporting in Nigerian corporate annual reports used in 2011. Based on previous studies [35] there are 22 themes that can be used to categorize CSR information in annual reports. The data for CSR disclosure (CSRDISC) was computed from content analysis of the number of items disclosed in a company's audited financial report [36].

PROFIT = Profitability proxied by Profit after tax (PAT)
SIZE = Company Size (proxied by log of total asset,)
ORIGIN = country of origin of the company used as a control variable. It is dummy variable with 1 = international, 0 = domestic.
U_t= Stochastic term

The apriori signs are $B_{1} > 0$, $B_2 > 0$, $B_3 > 0$, $B_4 > 0$

4. RESULTS AND DISCUSSIONS

4.1 Descriptive Statistics

From the descriptive statistics of the variables (Table 1), it is observed that size has a mean value of 52190317 and a maximum and minimum value of 2.36E+08 and 1306062 respectively. The standard deviation measuring the spread of the distribution stood at 74239240 which is very large and indicates considerable dispersion from the mean and that the distribution is inclusive of firms with significant variations in their size. The Jarque-Bera-statistic stood at 5.94 and the p-value of 0.00 indicates that the data is normally distributed at 5% level of significance ($p<0.05$). Profitability is observed with a mean value of 11986984 with maximum and minimum values of 1.26E+08 and -97974 respectively. The large standard deviation value of 29409794 indicates considerable dispersion from the mean. The Jarque-Bera statistics of 113. 2959 and p-value of 0.00 indicates that the series satisfies the normality criterion and that selection bias is unlikely in the sample. The mean value for origin is 0.45 and this shows that about 45% of the companies in the study have a domestic origin and are owned by Nigerians. The standard deviation stood at 0.51 indicates the existence of clustering of the sample around the sample mean. The Jarque-Bera-statistic of 3.55 and the p-value of 0.2 indicate that the distribution fails the normality ($p<0.05$). 0.00 indicate that the distribution is normal. Finally, the mean value for the number if items disclosed is 2.6 with a

maximum and minimum value of 5 and 1 respectively. The standard deviation stood at 0.99 suggesting the presence of some clustering of the distribution about the mean. The Jarque-Bera-statistic of 0.9 and the p-value of 0.6 indicate that the distribution fails the normality test ($p<0.05$).

Table 1. Descriptive statistics

	SIZE	PROFIT	ORIGIN	CSRDISC
Mean	52190317	11986984	0.45	2.6
Median	11923619	1275531	0	2.5
Maximum	2.36E+08	1.26E+08	1	5
Minimum	136062	-97974	0	1
Std. Dev.	74239240	29409794	0.510418	0.9947
Jarque-Bera	5.938269	113.2959	3.334694	0.984
Probability	0.051348	0	0.188747	0.6114
Observations	20	20	20	20

Source: Eviews 7.0

Where;

Size= company size

Profit= profitability of company measured by net profit.

Origin= Country of origin of the company, dummy variable with 1 = international, 0 = domestic.

Table 2 presents the Pearson correlation coefficient result of the variables. As observed, Company Size and Profit were positively associated ($r=0.077$). Origin was also positively correlated with company size ($r=0.04$). Finally, CSR Disclosure (CSR disc) is observed to be positively correlated with Company Size ($r=0.43$), with Profit (0.54) and a negatively with Origin (-016). The correlation coefficient results show that none of the variables are very strongly correlated and this indicates that the problem of multicollinearity is unlikely and hence the variables are suitable for conducting regression analysis.

Table 2. Pearson Correlation Result

	Size	profit	origin	CSR disc
Size	1			
Profit	0.07712	1		
Origin	0.040747	0.256308	1	
CSR disc	0.427683	0.544295	-0.16586	1

Source: Eviews 7.0

4.2 Effect Model and Test of Hypotheses

Table 3 shows the ordinary least squares regression result conducted using Eviews 7.0. The white heteroskedasticity-consistent standard error is used to control for possible heteroskedasticity in the model. The R^2 coefficient of determination was 0.43 which indicates that the model explains about 43% of the systematic variations in the dependent variable. The Adjusted R^2 which controls for the effect of inclusion of successive explanatory variables on the degrees of freedom was 0.28. The F-stat value of 2.87 and the associated p-value of 0.05 indicate that the hypothesis of a joint statistical significance of the model cannot be rejected as 5% and the linearized specification of the model is not inappropriate. The evaluation of the slope coefficients of the explanatory variables reveals the existence of negative relationship between CSR disclosure (CSR disc) and Firm Size as depicted by the

slope coefficient of -7.93E-10. The result is however not significant as the p-value of 0.86 exceeds the critical p-value of 0.05 exceeds, thereby leading to the rejection of the hypothesis "There is a significant relationship between company size and the extent of CSR disclosure by quoted firms in Nigeria". Profits is positively and significantly related to CSR disclosure (CSRdisc) by companies as indicated by its slope coefficient value of 2.33E-08 and p-value of 0.02 which less than the critical p-value of 0.05 at 5% level ($p<0.05$), thereby leading to the acceptance of the hypothesis "There is a significant relationship between Profitability and the extent of CSR Disclosure by quoted firms in Nigeria". The effect of company Origin was positively related to CSR disclosure by companies as revealed by the slope coefficient of 0.59. The relationship is however observed to be insignificant as the p-value of 0.18 exceeds the critical p-value of 0.05. Finally, the Durbin-Watson value of 2.2 indicates that stochastic dependence between successive units of the error term is unlikely in the model.

Table 3. Regression Result

Dependent Variable: CSR disc				
Method: Least Squares				
Included observations: 20				
White heteroskedasticity-consistent standard errors & covariance				
Variable	Coefficient	Std. Error	t-Statistic	Prob
C	3.814567	0.809286	4.713496	0.0003
SIZE	-7.93E-10	4.47E-09	-0.177373	0.8616
PROFIT	2.33E-08	9.04E-09	2.579653	0.0209
ORIGIN	0.5907	0.422766	-1.397222	0.1827
R-squared	0.433702			
Adjusted R-squared	0.282689			
S.E. of regression	0.842473			
F-statistic	2.871957			
Prob (F)	0.000			
Mean dependent var	2.6			
S.D. dependent var	0.994723			
Akaike info criterion	2.707367			
Durbin-Watson stat	2.212043			

Source: Eviews 7.0

$$CSR\ disc = 3.8146 - 7.93E\text{-}10 SIZE_{it} + 2.33E\text{-}08\ PROFIT_{it} + 0.5907 ORIGIN_{it} + U_t \quad \ldots(3)$$

(4.71) (-0.177) (2.579) (-1.397)

N:B. The t-value are in parenthesis

4.3 Diagnostics Test for the Model

The following tests were conducted for the model to ensure that basic ordinary least squares assumptions have not been violated and that the estimates resulting from the model were the best, linear unbiased estimates of the population parameters. The tests were Autoregressive Conditional Heteroskedasticity (ARCH) for heteroskedasticity test, the LM test for autocorrelation and the Ramsey reset test for the model specification.

The Table 4 reveals that the p-value s for both the f-statistics and the observed R- squared were 0.71 and 0.69 respectively using residual lag length of 2. The values are greater than the critical value of 0.05 at 5% significance level. This shows that there is no evidence for the

presence of heteroskedasticity. Hence there is violation of the constant variance assumption of the ordinary least squares.

Table 4. Heteroskedasticity Test

F-statistic	0.139356	Prob. F(1,17)	0.7135
Obs*R-squared	0.154484	Prob. Chi- Square(1)	0.6943

Source: Eviews 7.0

The Ramsey Reset Test (Table 5) shows that the p-values for the t-statistic and f-statistic of 0.847 and 0.844 respectively are greater than the critical value of 0.05. This shows that there is no apparent non-linearity in the regression equation and it would be concluded that the linear model is appropriate.

Table 5. Ramsey RESET Test

Specification: CSRSCL C Size Profit Origin			
	Value	**df**	**Probability**
t-statistic	0.55253	14	0.5893
F-statistic	0.305289		0.5893
Likelihood ratio	0.431441	1	0.5113

Source: Eviews 7.0

Table 6 shows the Breusch-Godfrey correlation LM tests for the presence of autocorrelation. The result reveals that the p-value of the f-statistics and the observed R-squared were 0.29 and 0.13 respectively using a residual lag length of 3. When compared to the critical value of 0.05, the p-values are noticed to be higher and this shows the non-existence of autocorrelation. Hence the estimates of the regression follow the non-violation of the zero covariance assumption of the ordinary least squares and the estimates are free from any bias.

Table 6. Breusch-Godfrey Serial Correlation LM Test

F-statistic	1.654683	Prob. F(2,13)	0.229
Obs*R-squared	4.058241	Prob. Chi-Square(2)	0.1315

Source: Eviews 7.0

4.4 Discussion of Result

The evaluation of the slope coefficients of the explanatory variables reveals the existence of negative relationship between number of corporate social disclosed and Firm Size. The result is however not significant as 5% level. Consequently, the hypothesis of a significant between CSR disclosures and the size of the reporting firm is rejected. The finding is at variance with our *apriori* expectation as well as previous reports [3,30] and [35] that the size of a firm was a positive determinant of social and environmental accounting disclosure. However, given the discretionary stance on environmental disclosure, several authors have pointed out that companies often evaluate the cost-benefits of such disclosures and if the cost exceeds the benefit, irrespective of the company size disclosures may not be made or the scope increased. Profits was positively and significantly related to the extent of environmental disclosure by companies at 5% level ($p<0.05$). This suggest that more

profitable companies are more likely to increase the extent of their corporate social disclosure and less profitable companies are more likely to reduce the extent of their CSR disclosures. Hence we accept the hypotheses of a significant relationship between CSR disclosure and profitability of a reporting firm. The finding is in tandem with our theoretical expectation and is also consistent with previous reports [37] and [38]. On the other hand, our finding was inconsistent with some recent finds[39]and [35]. The effect of company Origin was positively related to the extent of corporate social disclosures by companies. The relationship is however observed to be insignificant at 5%. This suggests that companies with foreign ownership may be more environmentally responsive and improve their CSR disclosures than companies with local ownership. Though, the findings in this regards are far from conclusive when considered with other reports [3] and [40], it however provides evidence that international companies make more CSR disclosures than the domestic companies.

5. CONCLUSIONS AND RECOMMENDATIONS

Corporate Social Responsibility (CSR) has attracted much attention over the past three decades. As a critical avenue of stakeholder management, CSR disclosures shapes external perceptions of the firm, helps relevant stakeholders assess whether the firm is a good corporate citizen, and ultimately justifies the firm's continued existence to its stakeholders. A greater level of disclosure is itself a form of corporate environmentalism. The study provides insight into the effect of corporate social disclosure. In this regards a negative relationship was observed between the extent of CSR disclosed and Firm Size. The effect of company Origin was positively related to the CSR disclosures by companies. Finally, profit had positive and significant relationship to the CSR disclosure by companies. We recommended that further studies should evaluate the influence of other corporate factors on CSR reporting. There is need for regulatory agencies to develop a CSR reporting framework that focuses considerably on utilizing firm financial information and providing corporate incentives for CSR disclosed and penalties for non-disclosure.

ACKNOWLEDGMENT

We want to acknowledge the support the staff and management of Fisher Foundation for Sustainable Development in Africa in granting us access to their ICT facilities in the course of this study.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

REFERENCES

1. Aguilera RV, Jackson G. The cross-national diversity of corporate governance: Dimensions and determinants. The Academy of Management Review. 2003;28(3):447-465.
2. Branco J, Rodrigues F, Influence of the Economic and Social Systems on Corporate Social Ranking. Mimeo, University of Toulouse; 2006.
3. Owolabi A, Environmental Disclosures in annual Reports: the Nigerian perspective 1st Italian CSEAR conference on social and Environmental Accounting Research; 2008.

4. Campbell JL, Why would corporations behave in socially responsible ways? An institutional theory of corporate social responsibility. Academy of Management Review. 2007;32(3): 946.
5. Adams C, Hart GE. Why do countries matter so much for corporate governance? Journal of Financial Economics. 1998; 86(1): 1-39.
6. Jensen T. Corporate Social Responsibility at Nine Multinational Electronics Firms in Thailand: a Preliminary Analysis, report to the California Global Corporate Accountability Project. Nautilus Institute for Security and Sustainable Development: Berkeley, CA; 2001.
7. Werhane PH, Freeman RE, Business ethics: the state of the art, IJMR. 1999;1(1):1–16.
8. Margolis JD, Walsh JP. Misery Loves Companies: Rethinking Social Initiatives by Business, Administrative Science Quarterly. 2003;48:268–305.
9. Dhaliwal D, Naiker V, Navissi F. Audit committee financial expertise, corporate governance and accruals quality: An empirical analysis, Working Paper, University of Arizona, University of Auckland and Monash University; 2006.
10. Reverte W. Theories of corporate social performance, Working paper University of Pittsburgh, Graduate School of Business; 2009.
11. Carroll AB. A three-dimensional conceptual model of corporate social performance. Academy of Management Review. 1993;4:497-505.
12. Commission of the European Communities, GREEN PAPER Promoting a European framework for Corporate Social Responsibility, Report to EU Commission, Brussels; 2001.
13. Fredrick RE. Strategic management: A stakeholder approach. Advances in Strategic Management. 1986;1(1):31-60.
14. Wood J. An Urban Grants Economy Revisited: Corporate Charitable Contributions in the Twin Cities, 1979-81, 1987-89. Administrative Science Quarterly. 1991;42(3):445-452.
15. Becker R, Harrison J, Wicks A. Managing for stakeholders: Survival, reputation, and success. New Haven, CT: Yale University Press; 2005.
16. Crane DW, Malten DB. Corporate social performance as a competitive advantage in attracting a quality workforce. Business & Society. 2004;39(3):254.
17. Acherman J, Bauer L. Corporate social reporting: A rebuttal of legitimacy theory. Accounting and Business Research. 1976;9(76):343-352.
18. Clarkson MB, A stakeholder's framework for analyzing and evaluating corporate social performance, Academy of Management Review. 1995;20(1): 92-117.
19. Corporate watch Making Sense of the Crisis December 19, 2012.
20. Freeman RE, Reed DL. Stockholders and Stakeholders: A New perspective on Corporate Governance. California Management Review. 1983;25(3):88-106.
21. Freeman RE, Strategic management: A stakeholder approach. Advances in Strategic Management. 1984;1(1):31-60.
22. Watts R, Zimmerman J, Towards a Positive Theory of the Determination of Accounting Standards. Accounting Review. 1978;53(1):112-134.
23. Bujaki ML, Richardson AJ. A citation trail review of the uses of firm size in accounting research. Journal of Accounting Literature. 1997;16:1–27.
24. Singhvi SS, Desai H. An empirical analysis of the quality of corporate financial disclosure. The Accounting Review. 1971;46:129-138.
25. Firth M. The impact of size, stock market listing and auditors on voluntary disclosure in corporate annual report. Accounting and Business Research. 1979;9(33):273-80.

26. Setyorini CT, Ishak Z. Corporate Social and Environmental Disclosure: A Positive Accounting Theory View Point, International Journal of Business and Social Science. 2012;3(9):152-164.
27. Ahmed AS, Duellman S, Accounting conservatism and board of director characteristics: An empirical analysis. Journal of Accounting and Economics. 2007;43:411-437.
28. Phillips R. Stakeholder Theory and Organisational Ethics, Berrett Koehler Publishers; 2003.
29. Roberts RW. Determinants of corporate social responsibility disclosure: an application of stakeholder theory. Accounting, Organizations and Society. 1992;17(6):595-612.
30. Gray R, Kouhy R, Lavers S. Corporate Social and Environmental Reporting: A Review of the Literature and a Longitudinal Study of UK Disclosure. Accounting, Auditing and Accountability Journal. 2001;8(2):47-77.
31. Ferreira AL, Branco MC, Moreira JA. Factors influencing intellectual capital disclosure by Portuguese companies, International Journal of Accounting and Financial Reporting. 2012;2(2):278-298.
32. Busch T, Hoffmann VH, How Hot Is Your Bottom Line? Linking Carbon and Financial Performance. Business & Society. 2011;50(2):233-265.
33. Freedman M, Jaggi B. Analysis of the association between pollution performance and input costs factors: the case of electric utility plants. Journal of Accounting and Public Policy. 1994;13(1):31-48.
34. Suttipun M, Stanton P. Determinants of environmental Disclosures in Thai corporate Annual Reports. International Journal of Accounting and Financial Reporting. 2012;2(1):99-110.
35. Gray RH. Accounting and Environmentalism: An Exploration of the Challenge of Gently Accounting for Accountability, Transparency and Sustainability, Accounting, Auditing and Accountability Journal. 2008; 17(5):399-425.
36. Russio D, Founts N. Determinants of Environmental Disclosure in Thai Corporate Annual reports, International Journal of Accounting and Financial Reporting. 1997;2(1):99-115.
37. Islam A. Social and Environmental Accounting Research; Major contributions and future Directions for developing Countries, Journal of the Asia-Pacific Centre for Environmental Accountability. 2010;16(2):27-44.
38. Kings CA, Lenox CB. Corporate Social Reporting Practices in Western Europe: Legitimating corporate behavior, British Accounting Review. 2001;30:1-21.
39. Ayoola TJ. Gas flaring and its implication for Environmental Accounting in Nigeria" Journal of Sustainable Development. 2011;4(5):244-250.
40. Hackston D, Milne MJ. Some determinants of disclosures in NZ companies. Accounting, Auditing and Accountability Journal. 1996;9(1):77-108.

© 2013 Ebiringa et al.; This is an Open Access article distributed under the terms of the Creative Commons Attribution License (http://creativecommons.org/licenses/by/3.0), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

Peer-review history:
The peer review history for this paper can be accessed here:
http://www.sciencedomain.org/review-history.php?iid=247&id=20&aid=2044