International Journal of Research in Engineering and Science (IJRES)
ISSN (Online): 2320-9364, ISSN (Print): 2320-9356
www.ijres.org Volume 12 Issue 12 ǁ December 2024 ǁ PP. 228-244

Board Dynamism and Corporate Social Responsibility Disclosure in the Nigerian Financial Sector

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Abstract
This study examined the impact of corporate board dynamism on corporate social responsibility disclosure in the Nigerian financial sector. The study considered all the listed banks in Nigeria. A total of 15 firms, spanning the period 2010-2017. Content analysis technique was engaged to ascertain the extent of corporate social responsibility disclosure; the study adopted the following variable (board size, foreign directors, female directors, and independence of the board) as a measure for corporate board dynamism. Findings from the study revealed that board independence and female director has a statistically significant influence on the extent of corporate social responsibility disclosure of the selected firms.
On the other hand, the presence of female directors had a significant positive influence on corporate social responsibility disclosure, while board size had a positively insignificant influence on the disclosure of corporate social responsibility by banks. Thus, the study recommends that Nigerian banks should consider in their board selection processes, appointing women board members with relevant backgrounds, suitable competencies, and different characteristics and values. This will surely increase confidence in the minds of investors, community members, regulatory authorities, and all other relevant stakeholders that the banks are strongly performing and fairly doing well to society. Also, considering the influence of independent/non-executive directors (board independence) on CSR disclosure of Nigerian banks according to the study, it becomes imperative for banks to consider independent directors to make up at least one-third of the board. This will serve as a strong mechanism for checking the CSR activities of the board and ensuring performance is monitored against agreed CSR goals.
Keywords: *Board dynamism, Corporate social responsibility disclosure, Gender diversity, Board independence*

Date of Submission: 11-12-2024 Date of acceptance: 23-12-2024

I. INTRODUCTION

In the last two decades, commercial banks, international commerce, insurance banks, banks of credit, and most financial institutions have experienced financial corporation collapse, and the consequences of this are that there is increasing demand from corporations for disclosure of their financial and non-financial activities. The various financial scandals revealed that corporations lacked concern for social and environmental responsibility and also ethics. Hence, the prevalent financial scandals in the banking sector led the community to reduce their level of trust in the banking sector. Therefore, the financial sector discovers that accumulating economic benefits (profitability and growth) is the only way to achieve a firm's success but also by satisfying all stakeholders of the firm by diligently complying with social welfare and the laws (Ghabyen, Mohamad, & Norsia, 2016). In addition, it is important to notice that the financial crisis in 2010 started in the financial sector and then affected other sectors. Furthermore, there is no doubt that the banking sector plays a linking role in the economy. In some cases, it can be said that the banking sector is the heartbeat of the economy.

CSRD is defined by different theoretical approaches, such as legitimacy theory (Guthrie & Parker, 1989) and signaling theory. (Prencipe, 2002; Khaled. & Jinan, 2009). The essential idea of the legitimacy theory is an implicit understanding (social contract) between the firm and the society that it operates in and is obligated to perform various social and non-social activities (Guthrie & Parker, 1989). Thus, firms constantly keep disclosing social information to stay legitimate in their existence (Gray, Kouhy, & Lavers,1995). CSRD has been recognized as a self-laudatory. (Deegan & Rankin, 1996) (Neu, Warsame, & Pedwell, 1998) and as a part of the reputation-sustaining building process. In Nigeria and other developing countries of the world, the private sector of the economy is required to work hand in hand with the government in performing certain social activities that satisfy the needs of the society. The availability of untapped natural crudes and the constantly increasing level of poverty and unemployment create serious problems for the Nigerian social environment and its leaders. The National Bureau of Statistics says the country's unemployment rate rose from 14.2 percent to 18.8 percent in the third quarter of 2017. It is also said that total unemployment and underemployment combined increased from 37.2 percent in the previous quarter to 40 percent in the third quarter. Also, updated news on the world poverty clock shows Nigeria has overtaken India as the country with the most extreme poor people in the world. The data shows that the 86.9 million Nigerians living in extreme poverty represent nearly 50 percent of its 18 million population. As Nigeria faces a major population boom, it is estimated to become the world's largest country by the year 2050. Therefore, banks and other private and public firms in all sectors are required to launch pivotal initiatives to make important contributions to their local communities. Organizations should make necessary and effective contributions to the social environment either through carrying out social development initiatives or making contributions to some of the projects targeting low-income earners. Accordingly, the private sector is required to provide employment opportunities that will help in tackling the problems. The finance sector can play a vital role by providing loans to small and medium-scale enterprises to support them grow and also generate employment opportunities for others. This can undoubtedly improve the bank's image and considerably support small projects in a country.

Statement of the Problem

The global financial scandals, including collapses like Enron, WorldCom, and Lehman Brothers, have underscored the critical need for robust corporate governance. Weak governance practices, especially in banking, have often been central to these failures, as seen in the 2008 global financial crisis and Nigeria's 2010 banking crisis. In Nigeria, bank consolidations created larger institutions but failed to address fundamental governance weaknesses. Boards often lacked independence, ethical standards, and competence, with some directors complicit in malpractice or misled by management. Audit processes failed to fully account for management activities, exacerbating risks and economic decline. These systemic issues highlighted the need for improved governance structures to ensure transparency, accountability, and ethical oversight, particularly in the banking sector, which is pivotal to economic stability. The significance of corporate governance in the banking sector lies in its critical role as an economic and financial system pillar, particularly in developing economies like Nigeria. Banks serve as intermediaries, channeling savings and investments to various sectors, thus influencing economic growth and stability. However, due to strict regulatory environments, this sector has been understudied. This study aims to bridge this gap by exploring corporate social responsibility disclosure (CSRD) and governance dynamics, focusing on board composition, independence, and gender diversity in the Nigerian context. It contributes to understanding governance practices in developing economies, emphasizing the sector's pivotal role in economic and social development.

Research Objectives

This research has the following objectives

1. To ascertain the relationship between the size of the board of directors of firms and the level of corporate social disclosure.
2. To analyze the effect of foreign directors on the corporate social responsibility disclosure of financial firms.
3. To examine the relationship between board independence and the level of corporate social responsibility disclosure.
4. To explore the relationship between women's representation and corporate social responsibility disclosure

Research Hypotheses

The research hypotheses are stated in the null and alternative form as follows

H_0: The size of the board of directors has no significant influence on the level of corporate social responsibility disclosure of the banks.

H_0: Foreign directors have no significant effect on the quantity of corporate social responsibility disclosure of Nigerian banks.

H_0: There is no significant impact of board independence on the level of corporate social responsibility disclosure of banks in Nigeria.

H_0: Women's representation on the board has no significant effect on the quantity of corporate social responsibility disclosure of banks in Nigeria.

II. LITERATURE REVIEW

Conceptual framework

Corporate Social Responsibility (CSR)

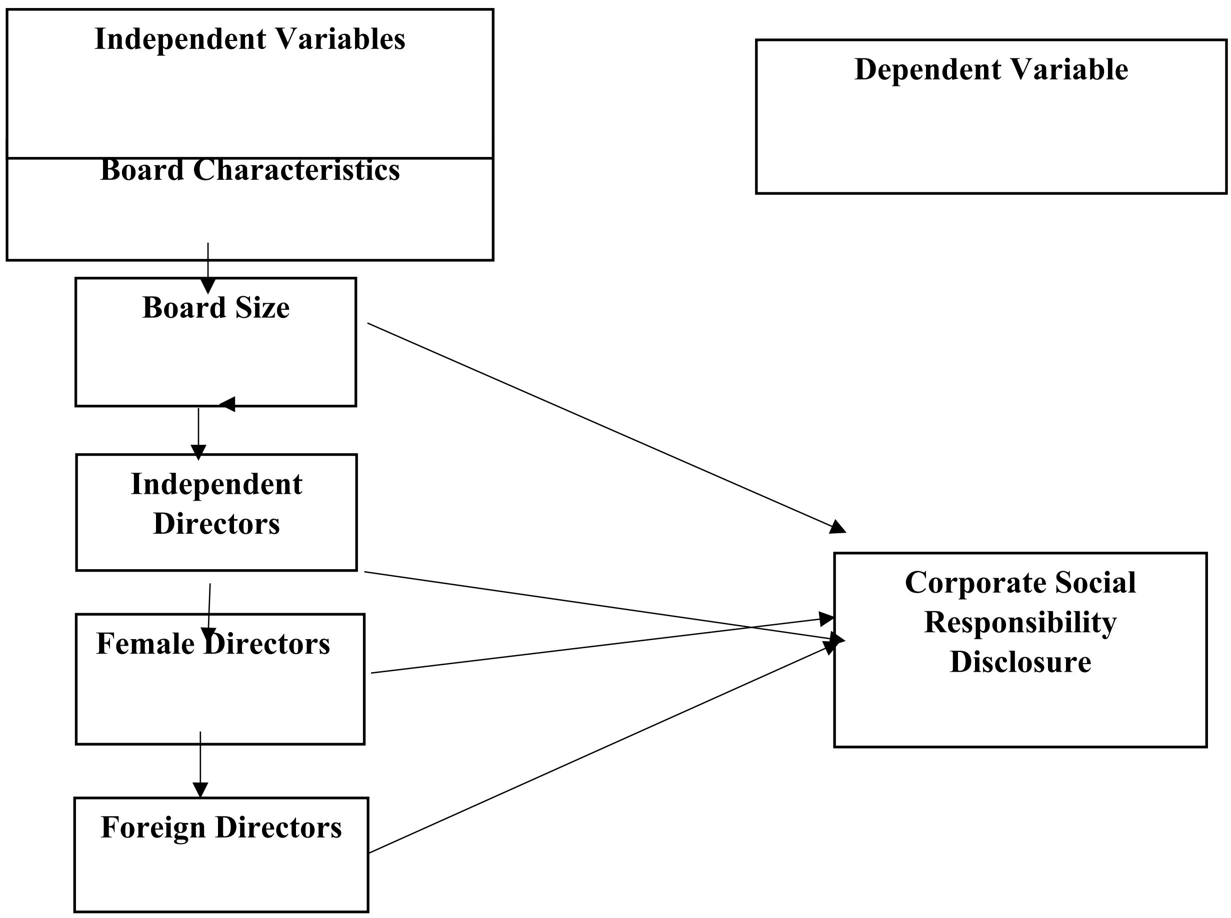
The concept of corporate social responsibility has been a growing phenomenon in recent years. This has become paramount owing to the rigorous and selfish pursuance by corporate bodies of wealth which have called for an urgent need for a framework that utilizes resources for development in a sustainable fashion (Alhassan & Salim, 2017). It is a strategy adopted to drive sustainability. Corporate social responsibility is recognized as a movement aimed at encouraging companies to be more aware of the impact of their business on the rest of the society, including their own stakeholders and the environment (Financial Times, 2017).

Corporate Social Responsibility Disclosure

Transparency is essential in accounting, particularly in the banking sector, where information disclosure fosters dialogue between businesses and society and enhances economic efficiency (Branco and Rodrigues, 2006). Social responsibility disclosures highlight companies' interactions with society (Hossain and Reaz, 2007) and address stakeholder demands for comprehensive operational and financial insights (Uwalomwa et al., 2016). Sustainability reporting, as defined by The Global Reporting Initiative (2011), details economic, environmental, and social impacts of organizational activities, linking strategy to global sustainability commitments. This practice builds investor confidence, trust, and employee loyalty, while aligning with concepts like triple bottom line and CSR reporting (Garg, 2015). Benefits include financial advantages like lower capital costs, operational improvements such as resource efficiency, and enhanced reputation and market share (Epstein, 2008; Dembo, 2017).

Conceptual Model

In order to achieve the objective of the research work, a schematic representation of our model is presented in order to fill the identified gaps.



Source: Researcher Design 2018

Board Dynamism

Board dynamism is defined by Kruug, 2016 as the characteristic composition of the board of directors or the governing body of an organization, such as guaranteeing the continued corporate performance and posterity of the organization. In a crisis-laden banking industry, the importance of the composition of the boards of directors in ensuring corporate performance cannot be overemphasized (Hermalin and Weisbach, 2003). Board diversity is justified as a key to better corporate governance (Conge & Lawler, 2001). A board composed of directors representing a range of perspectives often leads to an environment of collaborative discussion that is the essence of good governance (Russell & Reynolds, 2003). It is said that organizations that aim to deliver the highest standards of leadership require a diversity of thought, skills, experience, working style, and talent capability. It is also increasingly being recognized that by bringing together men and women from diverse backgrounds and giving each person the opportunity to contribute their skills, experience, and perspectives, the firm can deliver the best solutions to challenges and sustainable value to its stakeholders.

Empirical Studies

Female Directors and CSR Disclosure

Another important reason why corporate board must be focused on social actions, as argued by Kassinis & Vafeas (2002), is that responding to the external environment enables the directors on the corporate board to play an important role in developing appropriate social responsibility measures that are helpful to the organization they govern and use such measures in formulating public policy which leads the organization in gaining a favorable reputation among its stakeholders. According to Ibrahim & Angelidis (1994), unlike male directors who usually focused more on the economic performance of the firm, female directors, on the one hand, displayed much concern for the firm social orientation and would always like to see their company involved in CSR programs due to their inherent sympathetic attitude. Ibrahim & Angelidis (1994) have gained much support from various studies in the later days. In line with their findings, a study conducted by Williams (2003) found a positive relationship between women directors on boards and firms' corporate philanthropy. Based on the result, the study concluded that firms having a large proportion of female directors on board appeared to be more philanthropic and fully engaged in a variety of social actions such as charity and donations. Also, Bear, Rahman & Post (2010) in their study found that a large proportion of female board members is positively related to CSR disclosure vigorously. In Pakistan, Asgar (2013) further underpins the effect of women on the board and found out in his study that having female directors on the board of directors greatly affects firm CSR. He concluded that firms with a larger ratio of female directors on board appeared to be more philanthropic.

Foreign Directors and CSR Disclosure

Haniffa and Cooke (2005) uncover practical support for the affirmative relationship between the percentage of Malay directors and the level of voluntary reporting by companies in Malaysia and argue that foreign directors are understood to perform a vital job in sustaining reporting strategies for CSR. They found that a higher proportion of foreign nationals on the board tend to have a higher degree of CSR reporting.

Board Size and CSR Disclosure

Board size refers to the number of directors who make up the board (Ntim and Soobaroyen, 2013; Jizi *et al*., 2014). Board size is defined as the natural logarithm of the total number of directors, as used by Sharif & Rashid (2013). Allegedly, directors' ownership determines their willingness to monitor managers and enhance shareholders' value (Shleifer and Vishny, 1997). It motivates directors to do their monitoring job effectively.

Board Independence and CSR Disclosure

The studies previously conducted by some eminent scholars like Robert (1992), Ibrahim & Angelidis (1995), Coffey & Wang (1998), Sembiring (2005), Lynes & Andrachuck (2008), Dunn & Sainty (2009), Ana & Begona (2009), Joseph & Taplin (2011), Febrina & Suaryana (2011) and Ulfi & Fitriyah (2012) have found independent directors as part of the factors influencing the involvement in CSR in most organizations. Research conducted by Robert (1992) revealed that the independent board members are very much concerned with the philanthropic dimensions of CSR. His finding was similar to that of Johnson & Greening, (1999) who found a positive relationship between a firm's independent directors and CSR reporting. Agreeing with Robert, (1992), was the work of Ibrahim & Angelidis (1995) and Dunn & Sainty (2009), who all established that firms that appoint more independent directors on the board tend to show more objectivity and independence towards CSR issues. Boards that are appropriately selected protect the interest of multiple stakeholder groups in addition to their duties of resolving corporate problems and thus, result in better CSR performance (Ana & Begona 2009). In support of this argument, Louma & Goodstein (1999) reported that a firm with a large proportion of independent directors on its board tends to have a positive and strong relationship with CSR more particularly in the aspect of staff welfare packages, charitable gifts, and donations.

Similarly, Ulfi & Fitriyah (2012), in their contribution, examine the impact of an independent board of directors in determining CSR involvement in both Islamic and conventional banks in Indonesia using panel data between the periods of 2007 and 2011. This finding is in line with the prior study conducted by Coffey & Wang (1998), who found that having a large proportion of independent and outside directors on the board leads to the expansion of firms' CSR strategy. According to Anugerah (2011), corporate governance mechanisms such as the independent board of directors are expected to provide adequate explanation regarding the level of a firm's CSR practices. Bughsan (2005) also concluded that the size of the independent board of directors has a significant positive impact on CSR. Moreover, the early work of Kassinis & Vafeas (2002) further established that, among other corporate governance mechanisms, an independent board of directors is a relevant mechanism that influences a firm's CSR involvement.

Profitability and CSR Disclosure

Profitability can influence CSR practices. Highly profitable companies can absorb the costs associated with CSR activities, thus disclosing more information to stakeholders. Haniffa and Cooke (2005) and Khan (2010) confirmed the importance of profitability when reporting social information. Profitability is a proxy by Return on Assets (ROA) (Rashid and Sartawi et al.2014).

Leverage and CSR Disclosure

There are mixed results regarding leverage in CSR reporting. Barnea and Rubin (2010) believed that companies with high debt levels would incur high monitoring costs, which suggests a negative relationship between leverage and CSR disclosure. Alternatively, these high-debt companies disclose more information to reduce costs (Esa and Mohd Ghazali, 2012) and to meet the needs of their lenders (Abdullah et al., 2011). Steve and Mossu, (2014), examined the impact of firm leverage on corporate social responsibility investment, drawing evidence from health and safety programs in U.S. firms. The study uncovered a strong negative relationship between financial leverage and the implementation of health and safety programs.

Theoretical Frameworks

In this section, three relevant theories were reviewed namely stakeholder theory, agency theory, and resource dependence theory.

Stakeholder Theory

Stakeholder theory posits that an entity strives to harmonize its activities with stakeholder expectations through the communicative channel of corporate social reporting. Stakeholder theory may be divided into managerial (positive) and ethical (normative) branches (Deegan et al, 2000). The managerial branch posits that managers will be influenced by the powers of particular stakeholders on the business activities of an organization. Under the managerial branch of stakeholder theory, key stakeholder demands are given considerable weight by managers when generating corporate social reports. Thus, in the Nigerian banking context, we might expect core financial stakeholders (for example, investors, creditors, and shareholders) to have considerable influence over banks' actions and reporting. The ethical branch of stakeholder theory argues that all stakeholders have the right to fair treatment, regardless of how distant or close the stakeholder is to the business (Deegan, Rankin, & Voght, 2000).

Agency Theory

The agency relationship is the most common mode of social interaction. According to Ross (1973), agency theory states that during a transaction, the principal assigns an agent to act on his or her behalf. The principal needs to trust the agent under imperfect information and unclear outcomes. The agent, being one of the stakeholders as an employee, needs to be motivated to be able to improve the firm's financial performance. This brings a sense of ownership of the agent to the firm and improves the principal-agent relationship. Friedman (1970) criticizes the agency theory of CSR that there is only one business' social responsibility. This responsibility is using the firm's resources and involving itself in activities structured to improve its profits as long as it is staying within the rules of engagement in the free and open contest without fraud. Friedman prefers the state to address social problems. He argues that costs relating to CSR activities and human capital could increase the overall costs of the firm.

Resource Dependence Theory

The resource dependence theory (RDT) highlights the role of corporate boards in managing external dependencies and uncertainties to achieve CSR objectives (Mallin and Michelon, 2011; Pfeffer and Salancik, 1978). Boards contribute to firms' CSR efforts by enhancing legitimacy, providing expertise, fostering stakeholder relations, and facilitating strategic decision-making (Hillman and Dalziel, 2003). Studies show that board diversity, particularly with independent and female directors, correlates positively with CSR performance as it brings diverse perspectives and enhances stakeholder relationships (Webb, 2004; Mallin and Michelon, 2011). For instance, socially responsible firms are often associated with larger, more diverse boards, which provide broader expertise and improve CSR disclosure (Post et al., 2011; Friedrich et al., 2013).

Combining stakeholder theory, RDT, and agency theory offers a comprehensive framework for understanding board diversity's impact on CSR reporting. Stakeholder theory emphasizes boards' accountability to society, while RDT highlights the importance of diverse resources for better responsiveness to environmental and social challenges (Bear et al., 2010). Agency theory supports the notion that diversity enhances board independence, improving oversight and decision-making (Carter et al., 2003). Collectively, these theories suggest that diverse boards—comprising individuals with varied gender, background, and expertise—are better equipped to meet stakeholder needs, enhance firm value, and drive superior CSR outcomes (Beatrice, 2018; Osei, 2018).

III. METHODOLOGY

Research Design

This study achieved its objectives by employing a longitudinal research design. This is because longitudinal research design involves repeated observations of the same units (commercial banks in this study) over some time (2010 to 2017). The dependent variable is the quantity of sustainability reporting in corporate annual reports and stand-alone reports, measured using the content analysis method. Content analysis is used as it helps identify reporting patterns of disclosure (quantity and quality) regarding information on social and environmental performance (Yongvanich and Guthrie 2006) coupled with the fact that it is an unobtrusive method of analysis and, in contrast to surveys and interviews, cannot influence responses (McGraw and Katsouras 2010). Content analysis is one of the most widely used techniques in corporate social responsibility disclosure studies (Branco and Rodrigues 2006, Guthrie and Parker 1990, Hackston and Milne 1996, Hamid 2004). The study also adopted descriptive methods. Descriptive statistics assisted the researcher in describing, analyzing, and interpreting the data collected from the annual reports. Also, the study engaged the use of a regression model to find out the relationship between board characteristics and the quantity of CSR disclosure. Furthermore, panel regression was employed to ascertain the relationship between the robustness of the board and the quantity of corporate social responsibility disclosure. Finally, the statistical tool STATA was utilized to analyze the quantitative data, and thematic analysis using NVIVO was employed to analyze CSR disclosure in the annual reports.

Population of the Study

The population of this study would consist of all the 15 listed firms in the banking sector as of 31st December 2017 from 2010-2017. The reason for choosing this sample population is because of the financial connection between the banking sector and other sectors of the economy also, the banking sector has a considerable representation in the capital market in Nigeria, contributing forty percent of the total market segmentation of the Nigerian Stock Exchange (NSE, 2015). After the national financial crisis in the year 2010, the Central Bank of Nigeria demanded more from the corporate governance of firms concerning their financial and non-financial disclosures.

Sampling Size and Sampling Technique

The sample size is to examine the 15 listed firms in the banking sector from 2010-2017 quoted in the Nigeria Stock Exchange. The selection of the entire population as the sample size for the study is a result of the smallness of the population. The sampling technique used for the study is the stratified sampling technique. This sampling technique is used based on the fact that the Nigerian Stock Exchange is arranged in strata.

Data Gathering Method

Sources of Data

In this study, secondary data will be adopted as the basis for gathering the necessary information. The data will be analyzed longitudinally. The reason for the choice of secondary data was because all the variables that will be used to measure the changing impact of board characteristics on a firm's corporate social responsibility disclosure among Nigeria-listed banks are all available in the annual report of the listed banks. The secondary data would be obtained from the corporate annual reports and websites of the selected banks quoted on the Nigerian Stock Exchange from 2010 to 2017. The choice of corporate annual reports and companies' websites arises because the sources are widely viewed as the most consistent and regular medium for companies to communicate with stakeholders. Besides, annual reports have been considered a suitable proxy to ascertain the level of corporate social environmental disclosure of companies (Liao, Luo, and Tang 2015; Esa and Ghazali 2012).

Research Instruments

Measurement of Dependent Variable (CSR Disclosure)

This study makes use of content analysis as the research instrument to capture the quantity of Corporate Social responsibility disclosure. Content analysis has been used in past studies, and it has proved to be an effective method in CSRD studies. The GRI framework consists of 18 disclosure checklist items. However, this study adapts the GRI standards with other previous studies to construct a CSRD checklist spanning four dimensions or themes, namely: Employee dimension, Community dimension, Market Dimension (product and customer relations), and environment dimensions. The checklist used is modified to fit the Nigerian environment. The number of words dedicated to each item in the four broad themes of CSR is finally added together to compute the total volume of CSR disclosure. The research instrument consisting of the four dimensions of CSR disclosure and associated keywords is presented in Table 3.1 below

Measurement of the Independent Variable

Board diversity considered in this study includes female directors, board independence, size of the board, and foreign directors. This information is derived from the annual reports of the banks. Board size (BdSize) is measured by the actual number of directors present every year. Board independence (BdInd) is measured as the ratio of independent and non-executive to total directors. Foreign director (ForDir) is computed by dividing the proportion of non-Nigerians on top-level management by the actual top-level management team. Gender Diversity (GD) was ascertained as the proportion of female executives on the total number of executives on the board.

Measurement of Control Variables

The control variables used in this study include bank size, leverage, and profitability. Profitability is measured using the Return on Asset (ROA) ratio, which is earnings before tax divided by the total assets of the bank. ROA tells us what the banks do with what they control. Corporate Social Responsibility Disclosure (CSRD) is measured as the total count of dedicated keywords from a checklist adapted from the GRI (Kathy Rao, 2016). Board Size (BdSize) is defined as the total number of directors on the board (Keil & Nicholson, 2003), while Board Independence (BInd) is the ratio of independent non-executive directors to total directors (Haniffa & Cooke, 2005). Female Directors (Femaledir) are captured as a binary variable, coded 1 if there is at least one female director on the board and 0 otherwise (Ahern & Dittmar, 2010). Foreign Directors (Foreigndir) are similarly measured, with 1 indicating the presence of at least one foreign national on the board and 0 otherwise. Control variables include Leverage (Lev), calculated as the proportion of total debt to total assets (Esa & Ghazali, 2012); Profitability (Profit or ROA), measured by the ratio of profit after tax to total assets; and Bank Size (BSize), assessed as the natural log of total assets (Eng & Mak, 2003).

Validity and Reliability of Instrument

In measuring the extent to which the assessment is consistent, the content analysis of the annual reports was carried using pre-determined GRI standards. This helped to minimize any form of bias in assessing the CSR information from the annual reports of the sampled banks. According to Joseph (2010), the disclosure of at least one item in the disclosure index by at least one organization showed that all the items in the index were relevant. To prove the validity of the instrument used, the results of the study showed that all the 15 banks reported on all the CSR themes.

Data Analysis Method

In order to analyze the annual report data, this study adopted the approach of using thematic analysis (Bryman 2008). From the GRI pre-determined standards, the CSR information from each banks yearly report was categorized into themes and keywords where attached to determine quantity of disclosure. The annual reports were manually treated and converted to word document to enable easy search of dedicated keywords. The average of word outcomes for all CSR themes amounts to the CSR disclosure for each year and for each sampled bank. However, in addition to the manual analysis, and as an additional check that the analysis was robust, NVIVO software was also used to code and get the frequency of dedicated keywords from the annual reports based on the occurrence of themes and categories. Thereafter, descriptive statistics was used in interpreting the data gathered from the content analysis. These include frequencies, means and standard deviation. On the other hand, correlation analysis is used to examine the relationship between the variables in a linear fashion. Multicollinearity tests were also run to ensure that there were no correlation issues between the variables tested. Panel data multiple regression analysis is then employed to test the four hypotheses. Multiple regressions are a statistical analysis technique used to examine the relationship between several independent variables with a single dependent variable (Heur et al. 2006). The statistical software used to run the multiple regressions is STATA as it is able to analyze longitudinal panel data (Rao, 2017)

Model Specification

Following the hypotheses earlier stated in chapter one, regression models are formulated to capture the influence of various board characteristics on corporate social responsibility disclosure.
A functional relationship between corporate social responsibility disclosure and board diversity is shown in the implicit form in the equation below
CSRD = f(BdSize, BInd, Femaledir, Foreigndir, BankSize, Lev, Profit) …. ………..(1)
Where,
CSRD: Total CSR disclosure in annual reports of sampled banks
BdSize: Total number of directors as reported in the yearly report
BInd: Proportion of independent/non-executive director to total director
Femaledir: Total number of female directors represented in the board

Foreigndir: Presence of foreign nationals on the board of directors. Coded 1 for foreign director and 0 for otherwise
BankSize: Total assets of bank measured as the natural log of total asset
Lev: Bank leverage measured as the ratio of total liability to total asset
Profit: Bank profitability measured as returns on asset ratio (ROA: EBIT/TA)
The relationship between CSR disclosure and board diversity can be re-written as follows
$CSRD_{it} = f(BdSize_{it}, BInd_{it}, Femaledir_{it}, Foreigndir_{it}, BankSize_{it}, Lev_{it}, Profit_{it}, \varepsilon_{it})$……. (2)
where
i: company
t: time
with
i: 1,…,N
t: 1,…,T
ε_{it}: error terms
The Panel Data Model showing the functional relationship between the dependent and independent variables is depicted in equation 2.
According to Gujarati (2004), the technique of dummy variables can be extended to panel data. Also, the independent variables in this study are a mix of qualitative and quantitative regressors. Regression models containing a mix of qualitative and quantitative variables are called Analysis of Covariance (ANCOVA) models (Gujarati, 2004). In line with Allison (2009), the fixed effects model can be used in estimating a dependent variable (on a scale) and predictor variables (with a mix of quantitative and qualitative attributes).
This study used panel data to examine the impact of board diversity on corporate social responsibility disclosure of banks in Nigeria's financial sector. According to Gujarati and Porter (2009), panel data is useful for the following reasons:
The combination of time series and cross-sectional observation makes data more informative and enhances variability of results;

i. Panel data can assess the patterns of change;
ii. Panel data can measure effects that simply cannot be observed in pure cross-sectional or time series; and
iii. Panel data can also be used to enrich empirical analysis in ways that may not be possible with either cross-sectional or time series

The Panel data equation can be depicted as follows:
$yit = \alpha_i + + \beta ij xit + \varepsilon_{it}$ (3)
where:
y_{it}: vector of dependent variable, such that (y_{it}) = (CSRD)
x_{it}: vector of explanatory variables, such that (x_{it}) = (BdSize, BInd, Femaledir, Foreigndir, BankSize, Lev, Profit)
$i = 1,\ldots,15$
$j = 1,\ldots,7$
$t = 2010 – 2017$
The vector of the dependent variable (y_{it}) is the quantity of CSR disclosure to be determined, while (x_{it}) is vector of the explanatory variables, that is, factors that can influence CSR disclosure. The parameters (βij) are the various coefficients of the explanatory variables that were obtained when the model was fitted into the data. The constant term (α_i) represents the intercept of the equations while (ε_{it}) is the error term that captures variables not included and expected to be identically distributed with zero mean and constant variance.
Equation (2) is the explicit form of the model and if a linear relationship is assumed, then it can be written explicitly as follows:
$CSRD=\beta_0+\beta_1BdSize\_Lnit+\beta_2BInd_{it}+\beta_4Femaledir_{it}+\beta_5Foreigndir_{it}+\beta_6BankSize_{it}+\beta_7Lev_{it}+\beta_8Profit_{it}+\epsilon_{it}$ (4)
β_0: constant
β: coefficient variable
Furthermore, the Generalized Linear Model Equation for individual banks i: 1,….., N observed at several time periods t = 1,….., T is stated as follows:
$CSRD_{it}=\beta_0+\beta_1BdSize_{it}+\beta_2BInd_{it}+\beta_4Femaledir_{it}+\beta_5Foreigndir_{it}+\beta_6BankSize_{it}+\beta_7Lev_{it}+\beta_8Profit_{it}+\epsilon_{it}$ (5)
Where,
ε_{it} is a composite error term which is assumed uncorrelated with the explanatory variables of all past, current and future time periods of the same bank.

IV. DATA PRESENTATION, ANALYSIS AND DISCUSSION.

Descriptive Statistics

Content Analysis

Content analysis of the annual reports using Nvivo 12 quantitative statistical software was adopted to measure the level of CSR disclosure for the sample period for each of the sample banks. The quantitative dimension of the level of CSR disclosure was measured by the number of words dedicated to community and governance disclosure by each bank in the sustainability report section in their annual reports. Overall four major themes (Market, Environmental, Employee, and Community) were used and these were adapted from previous studies. Table 4.1 shows the disclosure in terms of total number of words dedicated to market, environmental and governance issues for the entire sample period of eight years. The results indicate that almost all the firms in the sample made some CSR disclosure (csrdscore) ranging from 103 to 580 words.

Table 4.1

CSR Dimension	N	Minimum	Maximum	Mean	Std. Deviation
EmployeeDimension	15	26	213	139.67	54.085
Market Dimension	15	40	350	222.80	82.894
Environment Dimension	15	28	120	80.67	30.246
Community Dimension	15	75	204	139.20	42.092
CSRDScore	15	103	580	214.80	116.603

The table and graphs below shows that CSR disclosure is increasing across all the categories except for environmental disclosure which is slightly lower in both 2017 and 2011 compared to 2014. Another important trend is that disclosure in the CSR disclosure category of market dimension rapidly increased from 2012 to 2014. The results also indicate that banks' overall CSR reporting (csrdscore) increased from 2016 to 2017 but had the highest report recorded in 2012.

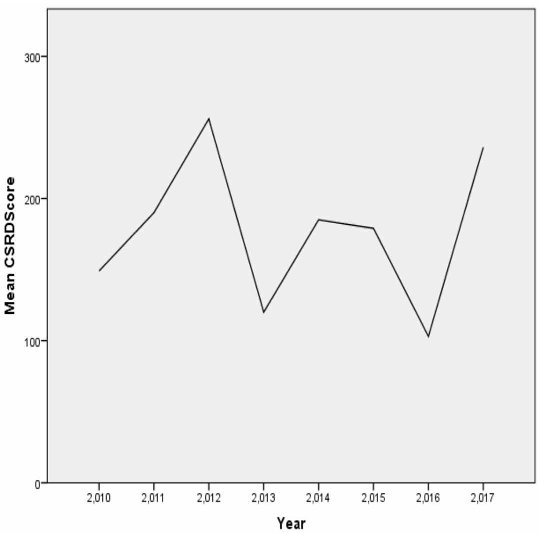


Fig4.1 – Trends in CSR Disclosure

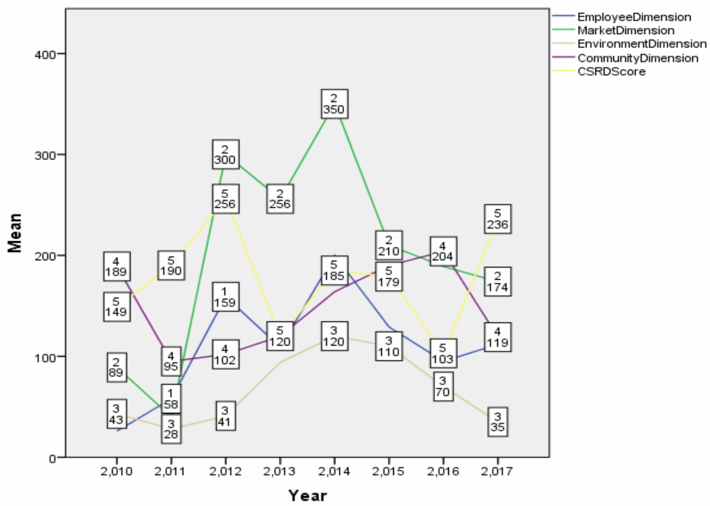


Fig4.2 – Trends in CSR Categorical Disclosure

Figures 4.1 and 4.2 reveals the trends in CSR disclosure across four different themes. As can be seen from above, there is a sharp decline in CSR disclosure between the year 2012 and 2013. However, it also shows a high disclosure in 2017. In the categorical dimension, across the four CSR themes, the market dimension stands out with the highest mean score of 350 words even though it declines in 2017 with a mean score of 174 words. The community dimension, from 2011 grew steadily between the years till 2017 where it drops down to 119 words. Community and employee dimension meets at same level of 119 words. The lowest disclosure is seen in the environmental issues categories with 35 words.

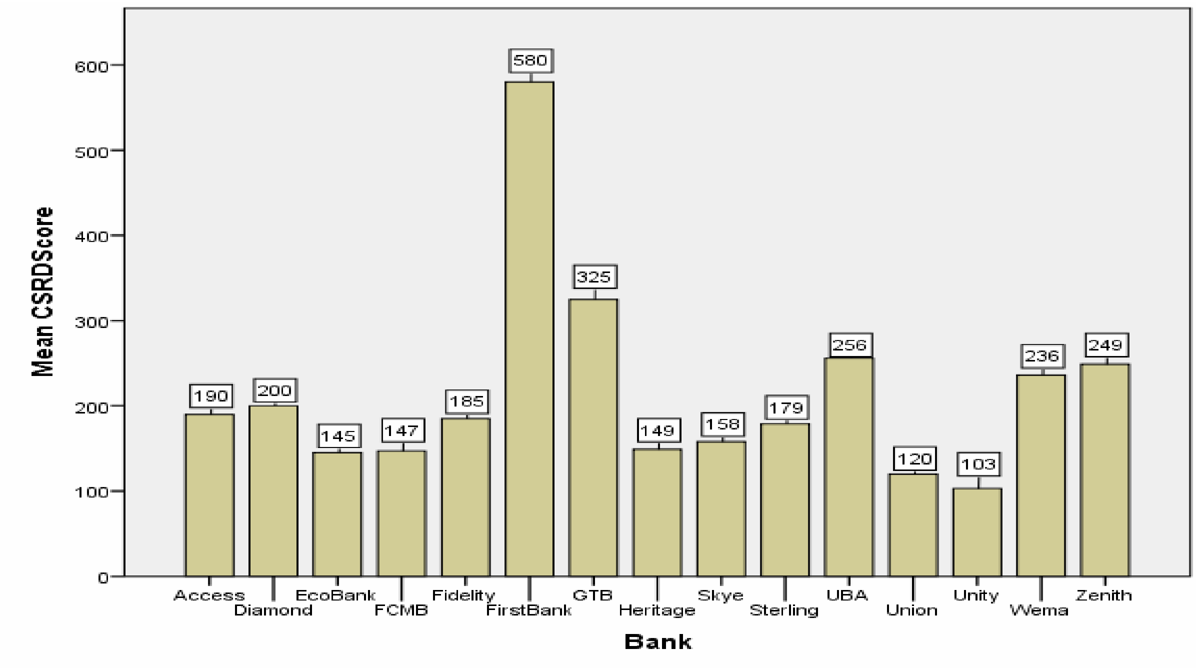


Fig4.3 – CSR Disclosure by Banks

It is important to consider these overall CSR reporting trends further, according to each bank. Figure 4.3 shows that the average volume of CSR disclosure in this sample is highest in FirstBank with mean score of 580. This is followed by GTB, UBA, Zenith, Wema and Diamond bank. The others record an average mean score less than 200.

Board Characteristics
Table 4.2 illustrates the descriptive statistics for the board characteristics considered in this study for the sample period of 2010-2017.

Table 4.3

Descriptive Statistics

Variable	N	Minimum	Maximum	Mean	Std. Deviation
BdSize	15	11	19	13.33	2.059
BIndependence	15	40	83	57.85	12.880
FemaleDir	15	1	2	1.93	.258
ForeignDir	15	1	2	1.27	.458
BankSize	15	15.21	21.64	19.3887	2.26076
Leverage	15	.73	1.03	.8553	.07596
Profitability	15	.0080	.0920	.039600	.0247034
N (listwise)	15				

From Table 4.3 above, the mean value of board size is 13.33 with standard deviation of 2.059 implying that the data deviate from both side of the mean by 2.059. The minimum and maximum values of board size were 11 and 19 respectively. The results from the table also show the mean of female and foreign director of the banks to be 1.93 and 1.27 with same minimum and maximum of 1 and 2 and a standard deviation of 0.258 and 0.458 respectively. The minimum and maximum board independence are 40 and 83 respectively, with a standard deviation of 12.88 showing a large deviation from the mean. Also for the explanatory variables, bank size records a standard deviation of 2.26 with a minimum and maximum mean value of 15.21 and 21.64

respectively. Leverage attains a mean value of 0.855 with a minimum and maximum value 0.73 and 1.03 having a standard deviation of 0.76.

Correlation Matrix

The Correlation Matrix is a technique of analysis that explains the relationship between dependent and independent variables and also the relationship between the independent variables themselves. The relationship between the dependent and independent variables were explained in Table 4.4 below. The correlation values were obtained from the Pearson correlation using two-tailed level of significance of the following explained and explanatory variables respectively (CSRD = Corporate Social Responsibility Disclosure, BdSize = Board size, BIndependence = Board Independence, Femaledir = Female director, Foreigndir = Foreign Directors, Lev = Leverage, BdSize = Board size and Profit = Profitability.

Table 4.4
Pearsons Correlation Coefficient (r) Matrix (N=15)

Variables	CSRD	BSize	BIndependence	Femaledir	Foreigndir	BdSize	Lev	Profit
CSRD	1							
BdSize	0.775*	1						
BIndependence	0.588*	0.646**	1					
Femaledir	0.331*	-0.095	0.186	1				
Foreigndir	-0.416	0.336	0.151	0.161	1			
BSize	-0.169	-0.177	-0.112	-0.311	-0.065	1		
Lev	0.160	-0.038	-0.182	0.079	0.441	-0.092	1	
Profit	0.273	0.065	0.019	-0.123	-0.194	-0.096	-0.282	1

Source: Authors Computation using STATA 13

The Pearson correlation matrix above shows the relationship that exist between the variables. CSR disclosure (CSRD) is positively correlated with board size (BdSize) ($r = 0.775$), board independence (BIndependence) ($r = 0.588$) and female director (Femaledir) ($r =0.331$) and statistically significant at 1% significant level. This means that an increase in the number of board of directors, female directors and independent/non-executive directors could lead to an increase in the level of CSR disclosure. Also CSRD is negatively correlated with foreign director (Foreigndir) ($r =- 0.146$). This implies that, in this sample, as percentage of foreign directors' increase, the level of CSR disclosure decreases. With regard to control variables, CSR disclosure (CSRD) is positively correlated with both the leverage (lev) ($r = 0.160$) and profitability (profit) ($r = 0.273$). However, bank size (BSize) ($r = -0.169$) shows a negative correlation.

Panel data analysis

The hypotheses developed in Chapter one are tested using longitudinal or panel data regression analysis produced with STATA 13, which is a statistical software package. However, before conducting the panel data analysis to test the various hypotheses, normality and multicollinearity tests were conducted and the results of these are presented below.

Test of normality

In order to ensure that the panel data results are robust, it is usual to run diagnostic tests. SPSS 23 was employed for standard tests such as Skewness, Kurtosis, Kolmogorov-Smirnov and Shapiro-Wilk tests as well as the P-P and Q-Q plot of the residuals with histogram showing the normal curve. These were produced to ensure that the data meets the assumptions of normality. These are presented below in Tables 4.5 and 4.6. Initial tests indicate that the dependent variable (csrdscore) is not normally distributed. In order to bring the variables closer to normality for the purpose of panel data analysis, the dependent variable (csrdscore) is transformed by taking the natural log and a new variable created (csrdscoreLn). In addition, the three control variables are transformed into the natural log form (levLn, profitLn, and bsizeLn). None of the independent board variables are transformed. As can be seen from Tables 4.5 and 4.6 and Figure 4.4, 4.5 and 4.6, the results of the normality tests and residuals for the transformed data are well within the requirements of representing normal distribution.
The standard tests for skewness and kurtosis for the dependent variable in Table 4.5 indicate that the overall disclosure variable (csrdLn) is approximately normally distributed. Both skewness and kurtosis coefficients shows that the data is moderately skewed. In addition, the results from Table 4.6 show that the Kilmogorov-Smirnov and Shapiro-Wilk tests have a p-value of higher than 0.01, a further indication of approximate normal distribution.

Table 4.5
Skewness and Kurtosis Statistics (csrd_Ln)

	Statistics	Std Error
Skewness	1.081	0.580
Kurtosis	1.946	1.121

Table 4.6
Test of Normality (csrd_Ln)

Kolmogorov-Smirnov[b]			Shapiro-Wilk		
Statistic	df	Sig.	Statistic	Df	Sig.
0.142	15	0.200*	0.934	15	0.316

Also, to further validate the results above, additional test of normality, P-P and Q-Q residual plots with histogram showing normal curve are produced in figure 4.4, 4.5 and figure 4.6 below

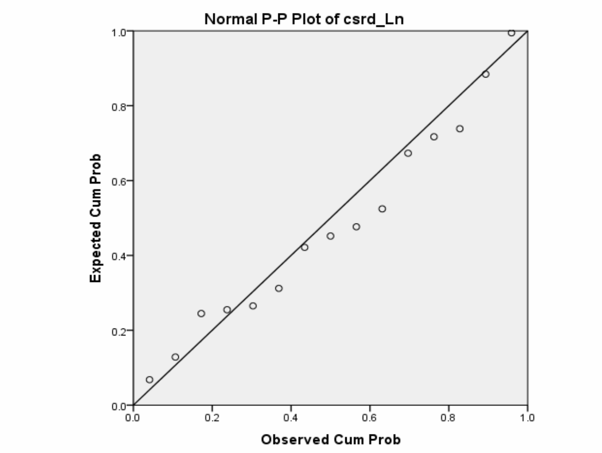


Figure 4.4 – Normal P-P Residual Plot

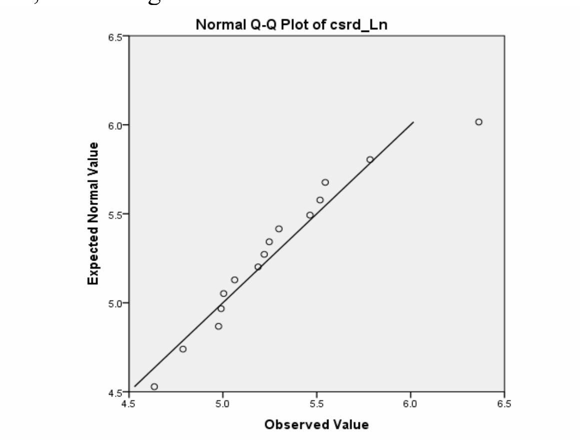


Figure 4.5 – Normal Q-Q Residual Plot

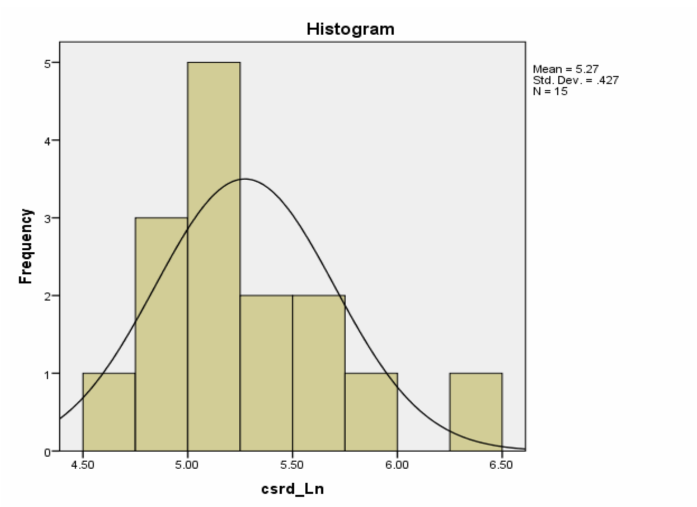


Figure 4.6 – Histogram showing normal curve

Table 4.5
Skewness and Kurtosis Statistics

	Statistics	Std Error
Skewness	1.081	0.580
Kurtosis	1.946	1.121

Table 4.6
Test of Normality

Kolmogorov-Smirnov[b]			Shapiro-Wilk		
Statistic	Df	Sig.	Statistic	Df	Sig.
0.162	14	0.200*	0.900	14	0.114

Multicollinearity

In addition to the tests for normality described above, the collinearity statistics in Table 4.7 are used to check for multicollinearity. If the coefficients of correlation between continuous independent variables exceed 0.80, that is indicative of serious collinearity (Gujarati 1995, Gujarati 2003). The correlation matrix shows that the correlations between the continuous independent variables are low, suggesting that the problem of multicollinearity is minimal. A certain degree of multicollinearity can still exist even when none of the bivariate correlation coefficients are very large, since one independent variable may be an approximate linear function of a set of several independent variables (Ho and Wong 2001). Multicollinearity can also be tested by considering the Variance Inflation Factor (VIF), which indicates multicollinearity if it is larger than 5 (Kutner et al. 2004). As can be seen from Table 4.7, the VIF is below 5 for all variables indicating there is no serious problem with multicollinearity in the sample. Therefore, the results of the panel data analysis can be interpreted with a greater degree of assurance.

Table 4.7
Collinearity Statistics

	Tolerance	**VIF**
BSize	0.703	1.423
BIndependence	0.591	1.691
FemaleDir	0.871	1.148
ForeignDir	0.795	1.258
BankSize	0.819	1.221
Leverage	0.661	1.513
Profitability	0.816	1.225

Table 4.8

Variables	**Coefficient**	**Z – Values**	**P – Value**
Intercept	1.474	0.53	0.128
BdSize_Ln	0.236	0.97	0.347
BIndp	0.299	1.66	0.043**
Femaledir	0.230	1.78	0.013*
Foreigndir	0.538	0.72	0.076
BankSize	0.185	0.85	0.001***
Lev	0.240	1.33	-0.025**
Profit	0.374	0.64	0.027**
R^2 Within			0.290
R^2 Between			0.700
R^2 Overall			0.673
Wald Chi^2			166.34
Wald Significance			0.001

**p<.1 (significant at the 10% level); ** p<.05 (Significant at the 5% level); *** p<.01 (Significant at the 1% level)*

For panel models, the interpretation of R^2 is the "squared correlation between the actual and fitted values of the dependent variable" (Cameron and Trivedi 2005: 258). There is no unanimous agreement on which R^2 to report in panel modelling, but the statistical package used (STATA) follows the suggestion that three measures should be reported (within, between and overall R^2). These three are then compared and if, for example, within and overall are close, this is evidence for individual (between) effects being not so important, etc. In the model above, overall and between are close, signifying that the within-firm differences across time in this sample are not important, or that the banks are relatively consistent. For the study, the table above indicates that the independent variables (board size, board independence, female directors, foreign directors, and the control variables being bank size, leverage and profitability of the bank) have jointly explained about 67.3% of the total variation in the dependent variable (CSR), from the multiple coefficient of determination (R^2 Overall of 0.673). Hence, it reveals that about 67.3% of the total variation in CSR disclosure of the Nigeria banking industry was caused by their board size, board independence, female directors and foreign directors. The table also signified that CSR disclosure, and board diversity model is fit at 1% level of significance (F-Statistic or Wald chi-square of 166.34 with the p-value of 0.001 meaning that there is a 99.9% probability that the relationship among the variables of the study was not just due to mere chance). This by implication means that any increase or decrease (changes) board characteristics of banks in the Nigeria banking industry will affect their CSR disclosure directly. Wald chi-square is normally used in limiting the distribution ability of the F-statistic when the denominator degree of freedom reaches an infinity level after normalization.

Board Size and CSR Disclosure

The first hypothesis (H_1) predicted that the size of board has no significant influence on corporate social responsibility disclosure in the Nigerian banking industry. However, the results in Table 4.8 indicate that the total number of directors (BdSize_Ln) is not significantly associated with CSR disclosure (CSRD_Ln) having a p-value of 0.347. Thus, H1 is not rejected. The insignificant relationship is contradictory to the majority of previous studies which have found a positive link between board size and CSR disclosure, including mandatory disclosure (Chen and Jaggi 2001, Willekens et al. 2005, Karamanou and Vafeas 2005) voluntary disclosure (Cheng and Courtenay 2006) and specific CSR related disclosure (Haniffa and Cooke 2002, Barako and Brown 2008, Rao et al. 2012).

Foreign Directors and CSR Disclosure

With regard to foreign directors on the board and CSR disclosure (H2), the findings of this study supports the hypothesis predicting that there is no significant relationship (p-value of 0.076) between foreign directors (foreigndir) among the board of directors, and CSR disclosure (csrd_Ln). This corroborates the study by Hansel, 2016 who posits that foreign directors are usually involved in matters that relate to economic viability and sustainability of a bank and are often excluded from CSR activities thus having no contribution to the CSR disclosure of the bank. Foreign directors are often brought on board as experts or consultants often serving as an independent director and proffering solutions and ideas that improves the banks' performance.

Board Independence and CSR Disclosure

The third hypothesis (H3) predicted that there is no significant relationship between the percentage of independent/non-executive directors on the board and CSR disclosure in the Nigerian banking industry. However, the results in Table 4.8 indicate that the percentage of non-executive/independent directors (BIndp) is significantly associated with CSR disclosure (csrd_Ln) at 5% level of significance with p-value of (0.043). This indicates that any proportional increase of independent directors on the board of directors of banks in Nigerian banking industry may directly increase and influence their CSR disclosure. Thus, H3 is rejected. This result is based on the argument that a larger proportion of independent directors on banks' board brings more potential and provides independent judgment to resolve the residual dispute between the primary stakeholders and the external environment. Also a higher proportion of independent directors are associated with broad environmental concern which is beyond corporate conventional motive of shareholders profits maximization (Chen and Jaggi 2001, Willekens et al. 2005, Karamanou and Vafeas 2005). These studies argue that independent directors usually possess superior monitoring ability, unbiased interest, high concern for their reputation and unique experience and expertise, and hence have the potential to positively influence CSR decisions at board level, which can then influence the level of CSR disclosure. This result supports the findings of Robert (1992), Ibrahim & Angelidis (1995), Coffey & Wang (1998), Johnson & Greening, (1999), Louma & Goodstein (1999), Kassinis & Vafeas (2002), Sembiring (2005), Bughsan, (2005), Lynes & Andrachuck (2008), Dunn & Sainty (2009), Ana & Begona (2009), Joseph & Taplin (2011), Febrina & Suaryana (2011), Anugerah (2011), Ulfi & Fitriyah, (2012), and Asgar (2013) who all concluded that independent directors of a firm have significant positive influence on CSR disclosure.

Female Directors and CSR Disclosure

Following the above reported result in Table 4.8 with regards to female directors on the board of the sampled banks. However, the result in Table 4.8 indicates that the variable is positively and statistically significant in influencing CSR disclosure in commercial banks at 10% level of significance with p-value of (0.013). This indicates that an increase in female directors' representation on board of directors of banks in Nigeria has direct impact on their CSR disclosure in Nigeria providing enough evidence for rejecting null hypothesis four. The result is consistent with many earlier studies, discussed in Chapter 2, that document evidence that the presence of women directors is associated with CSR (Post et al. 2011, Bear et al. 2010, Ibrahim and Angelidis 1991, Webb 2004, Bernardi and Threadgill 2010, Krüger 2009); corporate social performance (Hafsi and Turgut 2013, Boulouta 2013, Zhang 2012, Siciliano 1996), as well as with higher levels of CSR reporting (Barako and Brown 2008, Liao et al. 2014, Fernandez-Feijoo et al. 2012, Rao et al. 2012). The findings seem to suggest that women and men differ in values when it comes to social responsibility (Post et al. 2011).

Control Variables

The three control variables included in the analysis were selected on the basis of prior disclosure based studies. As indicated in Chapter 3, data on the three control variables, leverage, profitability and bank size was obtained from the sample banks' annual reports. All three control variables was found to be significant except leverage which was negatively significant.

Profitability

The result from Table 4.8 shows that Firm Profitability has a z-value of 0.64 and a coefficient value of 0.374 with a significant p-value of 0.027 which indicates that profitability (profit) has a significant effect on CSR disclosure of banks in Nigeria. This result of the profitability and CSR disclosure of banks in Nigeria is in support of the view that profitability may influence banks engagement in CSR. This shows that banks with higher profitability figures are more likely to engage or spend more in CSR than banks recording low profitability figures and thus influencing the sectors CSR disclosure. This is consistent with previous studies that indicate that banks with better financial performance seem to be more interested in investing in social activities (Ponnu and Okoth (2009) and Martins & Yunita, 2012).

Leverage

Bank leverage is shown in Table 4.8 to have a z-value of 1.33 and a coefficient value of 0.240 with a significant p-value of -0.025 at the 5% level. This indicates that the CSR disclosure of the Nigerian banking industry is significantly affected by the level of debt incurred by the banks. This implies that for every increase in the value average leverage ratio of the Nigerian banking industry, their CSR will decrease by 0.24 meaning the industry's CSR disclosure decreases as debt portfolio rises.

Bank Size

With a z-value of 0.85 and a coefficient value of 0.185, bank size is shown in Table 4.8 to be significant at 1% level with a p-value of 0.001. This means that bank size has strong positive and significant effect on CSR disclosure of the Nigerian banking industry. By implication, it means that for every one Naira increase (N1) in the value of total assets owned by banks in Nigeria, their CSR will increase by N0.18. This is in line with the arguments that large industries are more likely to make more voluntary disclosures because of the greater visibility and demand for outside capital and for reasons of accountability (Cormier and Gordon 2001). The result is therefore consistent with the prediction that large industries disclose more voluntary information found in many previous studies (Gul and Leung 2004, Lakhal 2005, Eng and Mak 2003, Laidroo 2009, Donnelly and Mulcahy 2008, Ho and Wong 2001, Khan 2010, Haniffa and Cooke 2005).The result is particularly consistent with (Abdulazeez, 2016) who found a positive association with CSR reporting of deposit banks in Nigeria, considering the Nigerian banking industry as the biggest sector.

V. CONCLUSION AND RECOMMENDATION

Conclusion

The findings of this study were obtained from the panel data collected for the period 2010– 2017 from a population of fifteen (15) commercial banks in the Nigerian Stock Exchange as of 31st December 2017. The result shows that two of the independent variables (board independence and female directors) were statistically significant in influencing the CSR disclosure of banks in Nigeria. Board independence has been found to have a positive influence on CSR disclosure in the Nigerian banking sector. Thus, aligning with the results of previous empirical studies. The regression result in Table 4.8 signifies independent board members as an important mechanism that determines stakeholder prominence by influencing CSR and CSR disclosure of the banks in the Nigerian banking sector. This means that any proportional change in independent directors' representation on a board will affect CSR and, subsequently, its disclosure. This might be in line with the argument that independent directors play a significant role in corporate monitoring and conflict resolution between corporate management, corporate investors, and various other stakeholder groups of a firm by reducing opportunistic tendencies by managers behind CSR investment.

The study also found a positive and significant association between female directors and CSR disclosure in the Nigerian financial sector. It is therefore concluded that female directors have a strong positive effect and determine the level of CSR disclosure in the sector. Thus, having a female director on board will increase or promote the level of CSR disclosure. This could be a result of the fact that females are naturally generous and philanthropic. Therefore, a bank with female director representation may have more tendency to engage in CSR to portray a good image of their natural being. This tends to be in line with the submissions of Bear, Rahman & Post (2010), Belen, Silvia, & Silvia (2012), Asgar (2013), and Lilik, Bambang, Sutrisno & Erwin (2014) concerning the relationship between female directors' representation on board and CSR which they say is either due to their inherent philanthropic and sympathetic attitude, or fear of community attack back or harm for resource deflation caused by corporate externalities. Moreover, it is believed that banks having a significant proportion of female directors on their board of directors tend to show more sympathy towards CSR issues. Therefore, to improve CSR disclosure in the financial sector, banks need to appoint female directors on their boards so that a soft image of their organization can be enhanced in the eyes of the government, NGO investors, researchers, and the community as a whole (Richard et al, 2010).

The foreign director has a positive but insignificant impact on CSR disclosure. This means that there is no significant association between foreign directors and CSR disclosure and that the presence of a foreign national on the board of directors cannot determine the level of CSR disclosure in the Nigerian financial sector. Thus, banks with or without foreign directors may not necessarily commit to CSR disclosure as depicted by the coefficient of foreign directors in the regression result.

Lastly, all the control variables (bank size, leverage, and profit) showed a positive significant association with the CSR disclosure of the Nigerian financial sector except leverage which was negative. This means that CSR disclosure in the industry will decline as the debt portfolio increases.

Above all, the study concluded that board mechanisms have a significant influence on CSR disclosure of the Nigerian financial sector, except board size which was found to be positively insignificant. However, the findings of the research underlined the economic relevance of board size, board independence, female directors, and foreign directors of banks in the Nigerian financial sector toward enhancing CSR disclosure by the banks.

VI. Recommendation

Drawing from the conclusions above and the findings of the study, the following recommendations are made for stakeholders and policymakers, particularly for those involved in the CSR disclosure of firms in the Nigerian financial sector.

i. The positive effect of gender diversity on CSR disclosure indicates that having women on the board of directors can bring different perspectives and enhance decision-making processes about CSR issues and disclosure. To achieve CSR objectives effectively, Nigerian banks should consider in their board selection processes, appointing women board members with relevant backgrounds, suitable competencies, and different characteristics and values. For instance, through the appointment of more women directors, their voice could become more prominent, and this could lead to fewer communication barriers and more ability to promote the bank's CSR and disclosure. This will surely increase confidence in the minds of investors, community members, regulatory authorities, and all other relevant stakeholders that the banks are strongly performing and fairly doing well to society. However, caution should be exercised to ensure that these provisions are not abused through token appointments.
ii. Also, considering the influence of independent/non-executive directors (board independence) on CSR disclosure of Nigerian banks according to the study, it becomes imperative for banks to consider independent directors to make up at least one-third of the board. This will serve as a strong mechanism in checking the CSR activities of the board and ensuring performance is monitored against agreed CSR goals.
iii. Furthermore, the management of Nigerian banks should strive to grow their asset base. This is according to the fact that bank size has been empirically found to positively and significantly influence CSR disclosure among banks in Nigeria.
iv. In addition, the management of banks in Nigeria should also strive to maintain optimum performance in terms of improved profit. As evident from the findings of the study, banks are likely to increase their CSR investments when profits increase consequently improving the level of CSR disclosure.

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