

## Corporate Social Responsibility and Human Capital Development In Nigeria: Case Study on Guaranty Trust Bank, Gombe State, Nigeria

### Tanggung Jawab Sosial Perusahaan dan Pengembangan Modal Manusia di Nigeria: Studi Kasus Pada Guaranty Trust Bank, Gombe State, Nigeria

Matthew Funsho Bello\*<sup>1</sup> , Rabi M. Aliyu<sup>2</sup>, Biola Muhibat Osungboye<sup>3</sup> 

<sup>1,2</sup>Department of Public Administration, Faculty of Arts and Social Sciences, Federal University of Kashere, Gombe State, Nigeria

<sup>3</sup>Department of Public Administration, Olabisi Onabanjo University, Ago – Iwoye, Ogun State, Nigeria

\*Corresponding author: mathewfbello@gmail.com

#### Abstract

*This research evaluates human capital development and corporate social responsibility (CSR) in Nigeria, using Guaranty Trust Bank Gombe as a case study, covering the period from 2015 to 2020. The study aims to identify the causes of low human capital development in Nigeria and propose solutions to this persistent issue. Three hypotheses guide this study: the impact of CSR, the growth of human capital in the host community, and a combination of both. The methodology includes data from both primary and secondary sources, analyzed using tables, percentages, questionnaires, oral interviews, and basic statistical methods. Findings indicate that the host community has benefited from Guaranty Trust Bank's human capital development initiatives, with many respondents expressing satisfaction and acknowledging the presence of skills acquisition programs. The study recommends that Guaranty Trust Bank adopt a long-term, sustainable approach to its CSR programs, partnering with relevant stakeholders such as government bodies, non-governmental organizations, and community-based groups to maximize resources and skills.*

**Keywords:** corporate social responsibility, human capital development, Guaranty Trust Bank, Gombe State, Nigeria

#### Abstrak

Penelitian ini mengevaluasi pengembangan sumber daya manusia dan tanggung jawab sosial perusahaan (CSR) di Nigeria, dengan menggunakan studi kasus Guaranty Trust Bank Gombe, yang mencakup periode 2015 hingga 2020. Penelitian ini bertujuan untuk mengidentifikasi penyebab rendahnya pengembangan sumber daya manusia di Nigeria dan mengusulkan solusi untuk masalah tersebut. Ada tiga hipotesis yang memandu penelitian ini: dampak CSR, pertumbuhan sumber daya manusia di komunitas, dan kombinasi keduanya. Metode penelitian mencakup data dari sumber primer dan

**Citation:** Bello, M. F., Aliyu, R. M., Osungboye, B. M. (2024). Corporate Social Responsibility and Human Capital Development In Nigeria: Case Study on Guaranty Trust Bank, Gombe State, Nigeria. *Journal of Governance and Administrative Reform*, 5(1), 14-37. <https://doi.org/10.20473/jgar.v5i1.56240>

Journal of Governance and Administrative Reform, e-ISSN: 2962-9578



©2024. Author(s). This is an open-access publication article distributed under the terms of the Creative Commons Attribution-Share A Like 4.0 (CC BY-SA) International license (<https://creativecommons.org/licenses/by-sa/4.0/>)

sekunder, dianalisis menggunakan tabel, persentase, kuesioner, wawancara lisan, dan metode statistik dasar. Temuan menunjukkan bahwa masyarakat setempat telah memperoleh manfaat dari inisiatif pengembangan sumber daya manusia Guaranty Trust Bank, dan banyak responden menyatakan kepuasan dan mengakui adanya program perolehan keterampilan. Studi ini merekomendasikan agar Guaranty Trust Bank mengadopsi pendekatan jangka panjang dan berkelanjutan terhadap program CSR-nya, bermitra dengan pemangku kepentingan terkait seperti badan pemerintah, organisasi non-pemerintah, dan kelompok berbasis masyarakat untuk memaksimalkan sumber daya dan keterampilan.

**Kata kunci:** tanggung jawab sosial perusahaan, pengembangan sumber daya manusia, Guaranty Trust Bank, Negara Bagian Gombe, Nigeria.

## **Introduction**

It is conventional to assert that corporate firms primarily aim to maximize profits (Kirfi & Galli, 2015). However, the adverse social and environmental impacts, such as air, water, and land pollution caused by firms' operations, have gained significant attention. Conversely, corporate investments play a positive role in providing employment opportunities and contributing to economic growth. Communities are central in providing raw materials, education, health services, accommodation, and legal and institutional frameworks that enable corporate operations (Olanrewaju, 2012).

The host environment plays an almost immeasurable role. According to global standards and best practices, corporate investments should take responsibility by providing services that contribute to human capital development, such as skills acquisition programs, vocational centers, and training tours. These responsibilities, often stipulated in investment policies or host country laws, are referred to as Corporate Social Responsibility (CSR) (Cameron & Harrison, 2012).

Despite the perception that CSR is a publicity strategy for big businesses, commercial organizations invest significantly in social responsibility. For instance, eight commercial banks spent N1.869 billion on community-related projects in 2012 as part of their CSR activities, with projections indicating a tripling of this amount over the next two years as CSR gains wider acceptance. In 2020, Guaranty Trust Bank launched a CSR program to mitigate the pandemic's impact by increasing the capacity of host community members to produce face masks and practice proper hygiene. This

initiative not only alleviated hardship but also provided income opportunities through the sale of locally produced masks and hand soap.

Nigerian commercial banks have also engaged in cross-border CSR efforts. In 2020, Guaranty Trust Bank donated N1 billion and led the Private Sector Coalition against COVID-19 (CACOVID), enhancing medical facilities nationwide to address the pandemic. Such initiatives illustrate that while CSR involves significant expenditure, it is perceived as a means of addressing socio-economic development challenges.

Corporate Social Responsibility (CSR) is a self-regulatory business model that ensures an organization's social commitments to the public and its stakeholders. CSR, or corporate citizenship, encourages businesses to be aware of their impact on social, economic, and environmental aspects of society (Katrina, 2021). The concept emphasizes conducting business in a manner that benefits society and the environment.

### **Statement of the Problem**

Over the past 20 years, globalization, privatization, and deregulation have heightened the significance of corporate social responsibility (CSR). CSR expenditure is crucial and beneficial not only for businesses but also for the global community, including customers and employees. Substantial evidence indicates that corporate social responsibility, modernization, and sustainable development are interlinked. By improving the societal capital of their host communities and the human capital of their partners, socially responsible businesses add value to the communities they operate in. They manage social capital effectively, enabling stakeholders to understand its driving forces and align with the organization's values (Frooman, 2019).

According to Hamann, Kapelu, Sonnenberg, Mackenzie, and Hollesen (2005), African countries exhibit significant variations in their participation in CSR activities. Most CSR projects in these regions are executed through partnerships, sponsorships, and foundations. Baskin (2006) suggests that CSR is predominantly a Western concept, thriving in countries with substantial multinational enterprises, democratic systems, and businesses addressing civil society's concerns.

Despite CSR's role in enhancing human capital within host communities, a thorough evaluation of CSR disclosure's quantity and quality is essential for ensuring future transparency. This is particularly critical in developing nations like Nigeria, where CSR studies are scarce (Sam, 2016). Host communities have shown frustration with businesses that fail to honor ethical commitments, make empty promises, abandon projects, and exhibit numerous deficiencies. Research on CSR in the telecommunications industry by Kamal (2018) reveals that companies often mislead host communities with false claims about projects or programs that never materialize. While some studies (Olayinka & Temitope, 2011; Amole, Adebisi & Awolaja, 2012) find a positive correlation between corporate profitability and CSR investments, others (Bessong & Tapang, 2012) indicate a negative correlation. Therefore, this study aims to evaluate the relationship between CSR and human capital enhancement in host communities, focusing on Guaranty Trust Bank's Gombe Branch in Gombe State, Nigeria. The research seeks to address the following questions:

1. What impact have Guaranty Trust Bank Gombe's human capital development initiatives had on the local population?
2. Does Guaranty Trust Bank Gombe conduct a needs analysis of the host community's interests when selecting human capital development programs?
3. Are human capital development initiatives a vital component of the host community's corporate social responsibility?

### **Objective of the Study**

The primary objective is to assess the impact of Guaranty Trust Bank Gombe Branch's CSR efforts on the host community through human capital development. The specific objectives are:

1. To determine the benefits the host community has gained from the human capital development programs run by Guaranty Trust Bank Gombe, Nigeria.
2. To evaluate whether Guaranty Trust Bank conducts a needs assessment of the host community's interests when selecting human capital development programs.
3. To investigate the importance of human capital development initiatives to the host community's understanding of CSR.

## **Literature Review**

### **The Idea of Corporate Social Responsibility**

Choosing a clear and consistent definition from the bewildering number of concepts and definitions proposed in the literature is a key problem when examining the idea of corporate social responsibility (CSR). Reinhardt et al. (2008), McWilliams et al. (2005), and Hopkins (2004) have proposed various definitions of CSR. Despite these efforts, Zu & Song (2008) observed that many organizations are making significant efforts to define and incorporate CSR into every aspect of their operations. However, a major issue facing the field of CSR is the absence of a clear, widely accepted definition of the term, and disagreements on its best meaning, which hinder the development of theories and complicate their measurement.

The basic idea of CSR is giving up profits for the benefit of society. This concept, first put forth by Elhauge (2005) and later embraced by Reinhardt et al. (2008) and Bénabou & Tirole (2009), suggests that companies must go above and beyond what is required by law and contract. Therefore, CSR encompasses a broad variety of actions, including being investor-friendly, ethically conscious, and considerate of the communities in which the company operates. Companies may also have a duty to assist deserving causes outside their own purview, such as the arts and education. This definition keeps the discourse focused on the most interesting normative and positive concerns while being consistent with some of the most helpful previous perspectives.

Bowen's (1953) definition of CSR as a company strategy that pursues policies, choices, and actions for societal purpose and value has influenced many interpretations of CSR. Numerous studies (Friedman, 1970; Jensen, 2000; Davis, 1967; Donaldson & Dunfee, 1999) support this view. Traditionally, these concepts have been grounded in two representative theories: social contract theory and agency theory. Agency theory proponents argue that since investors give management permission to run firms, corporations are only accountable to them. In contrast, social contract theory proponents contend that there is an implicit relationship between corporations and society, and maintaining this relationship is essential to enterprises' advancement.

Carroll (1979, 1991) and Carroll & Buchholtz (2003), cited by Devi et al. (2011) and Kim (2011), define CSR as "the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time." According to Carroll, CSR means conducting business in a way that is profitable, ethical, legal, and beneficial to society and the economy. Discretionary components of CSR include charitable donations and volunteerism.

Mahlouji et al. (2009) define CSR as business activities that promote or agree to the promotion of a social good beyond the corporation's and its shareholders' immediate interests, as mandated by law. Companies may incorporate socially responsible elements into their products. Sriramesh et al. (2007) state that CSR involves businesses following government rules and regulations, operating ethically above and beyond legal obligations, and being accountable through explicit or implicit social contracts with stakeholders. This broad definition allows CSR to cover a wide range of topics, including human development, education, environmental preservation, employment creation, labor practices, poverty eradication, and environmental challenges. However, its broadness has drawn criticism for meaning different things to different people.

### **Elements of Corporate Social Responsibility (CSR)**

Matten & Moon (2008), cited by Maç et al. (2011), distinguish between two parts of CSR: explicit and implicit. Explicit CSR involves corporate policies that articulate responsibility for specific public interests, including forming alliances and responding to stakeholder pressure. Implicit CSR refers to the role of firms in advancing societal interests within larger formal and informal structures, involving standards, conventions, and laws that specify collective obligations.

Explicit CSR companies communicate their policies and practices to stakeholders, while implicit CSR organizations usually do not disclose their operations. The three primary pillars of CSR are equity, business practice, and product use. Equity seeks to distribute profits equitably, business practice emphasizes good corporate governance and environmental well-being, and product use highlights the contribution of industrial products to societal well-being and quality of life (Krin et al., n.d.; Balachandran, Krishnan, & Warhurst, 2001).

## **The Concept of Human Capital Development**

From a deeper examination of the literature, it is evident that the phrases "human resource development," "human capital management," and "human capital development" are often used interchangeably. However, some academics distinguish between the latter two. Human capital management is the process of integrating the combined knowledge, skills, and talents of an organization's workforce with systems and procedures that align employee talent with the organization's overall business objectives. According to Haskel & Hawkes (2003), human capital development involves maintaining and improving employees' current knowledge, abilities, and competencies. Tamkin (2005) notes that the training division gave rise to the human resources development (HRD) component of human resource management. Different researchers define HRD in various ways.

"Human resource development" is now a term used in a wide range of contexts, leading to confusion as different people and groups use the concept for diverse purposes (Nadler & Nadler, 1994). According to Grooves (1998), the department's duties remained the same until a few decades ago, with only its name changing. This is one issue that HRD is dealing with. Grooves states that personnel management was responsible for creating and implementing rules and processes related to the hiring, placing, classifying, paying, and evaluating of every employee within an organization years ago.

Employee-related matters were often directed to the personnel department if anything needed to be done. By the mid-1980s, this agency was renamed the Employee Relations Agency, often without changes to its duties. The name game officially began at that point.

Later, the title was modified to human resource development. Despite occasional nomenclature changes, the department did not improve as anticipated; in reality, nothing changed, leading to confusion among most employees (Grooves & Kipkembo, 2015). HRD's inception can be traced to early 18th-century attempts at apprenticeship training. The apprenticeship system aimed to transfer knowledge and skills from an experienced individual to a novice, who would then become a journeyman or yeoman

following a period of instruction (Miller, 1987). Shopkeepers realized the necessity of training their own employees as there were no technical or vocational institutions. These laborers started their training to acquire specific skills for little to no compensation until they reached a high level of proficiency. Such a system was not limited to craftspeople; knowledge was passed down through generations in all spheres of society, including medicine, law, and education. Until the 1920s, attorneys trained in a law firm could practice after passing a state-supervised examination (Miller et al., 2012). According to The Economist (1997), early classical economists like Adam Smith (1776) believed that investing in human capital fosters economic progress. The traditional school of thought emphasized the value of investing in human talents to increase the labor force's productivity. Investing in human capital includes paying for education, training, healthcare, etc. Education is considered a significant investment in human capital. Nearly 235 years ago, in his book "The Wealth of Nations," Adam Smith compared an educated man to a costly machine (Samuel, 2011).

### **Empirical Review**

Most large corporations actively participate in corporate social responsibility (CSR) as it is widely believed to have the potential to boost company earnings. CSR can enhance a company's public respect, increase sales, strengthen employee loyalty, and attract stronger candidates. CSR initiatives focusing on sustainability-related issues may also reduce expenses and boost productivity, leading to increased stock prices and shareholder satisfaction (Robins, 2011). Some earlier research (e.g., Pattern 1992; Deegan & Gordon, 1996) found a substantial and positive correlation between a firm's size and its CSR disclosure using total assets or total revenue as proxies for firm size.

However, some studies (Aly, Simon & Hussainey, 2010; Samaha & Dahawy, 2011; Reverte, 2009; Elsayed & Rozik, 2011; Keelia & Kuntz, 1981) either disproved or could not support this association. McWilliams & Siegel (2006) introduced the corporate social responsibility (CSR) supply and demand model, which posits that a company's size, level of diversification, R&D, advertising, government sales, consumer income, labor market conditions, and industry life cycle stage impact CSR levels. These



theories suggest an "ideal" amount of CSR that managers may determine through cost-benefit analysis, indicating a neutral relationship between CSR and financial success.

Olayinka & Temitope (2011) used a qualitative study methodology to investigate the connection between CSR and financial success in Nigeria. They collected data on variables related to financial performance and CSR, including environmental management systems, employee relations, community performance, return on assets, and return on earnings. The findings indicated a strong and positive correlation between CSR and financial performance metrics, adding to the growing empirical evidence that CSR improves financial performance.

Branco & Rodrigues (2008) investigated if Portuguese banks used their websites to disclose social responsibility information and compared it to annual reports. Their findings indicated that Portuguese banks valued annual reports as disclosure tools more than websites. Higher consumer visibility banks appeared more concerned with enhancing their reputation through high levels of CSR disclosure in annual reports and online.

Amole, Adebisi & Awolaja (2012) examined the impact of CSR on the profitability of Nigerian banks using the ordinary least squares (OLS) regression model to analyze the relationship between dependent and independent variables. They used data from 2001 to 2010 on earnings after taxes and CSR expenditures. The regression analysis showed that the bank's profit after taxes would improve by 95% for each unit change in CSR expenditure, with an R-Square value of 0.893 explaining 89% of the fluctuation in profit after taxes. According to the stakeholders' hypothesis, banks must demonstrate high CSR commitment to increase long-term profitability. The study demonstrated a favorable association between banks' CSR efforts and profitability.

Babalola (2012) analyzed the connection between CSR and business profitability in Nigeria using secondary data from ten randomly chosen businesses' annual reports and financial summaries from 1999 to 2008. The analysis used ordinary least squares. Results indicated that the sample companies contributed less than 10% of their yearly profits to social responsibility. The co-efficient of determination of the result illustrated how changes in CSR in Nigeria are responsible for variations in the performance of

selected firms (PAT). It suggested enacting laws and regulations to obligate firms to prioritize social accounting and comply with social responsibility.

Luper's (2013) research suggested Nigerian banks reconsider their approach to CSR in major economic sectors, including SMEs, agriculture, power, education, and health. Using empirical data from the CBN statistical bulletin's ten-year coverage of commercial bank loans to SMEs (2001–2010), the study found no significant improvement in SME financing before and after bank consolidation. Bank consolidation in Nigeria caused SME financing to drop to less than 1% on average over the study period, showing Nigerian banks are not fulfilling their CSR duties in providing credit to SMEs, essential for promoting economic growth. The report recommended more diversified SME financing and training for SME owners on maintaining accurate accounting records to enhance Nigerian banks' CSR.

### **Theoretical Framework**

The Integrative Social Contract Theory (ISCT) is employed in this research. Donaldson (1982), drawing primarily on Locke's philosophical ideas, examined the relationship between business and society through the lens of social contract tradition. He posited that an unspoken social compact binds society and business, imposing certain implicit duties on businesses toward society. This approach potentially addresses some limitations of teleological and deontological theories in a business context. Donaldson and Dunfee (1999) later expanded on this approach, integrating the scientific and normative aspects of management while considering the socio-cultural environment. They introduced ISCT, asserting that social obligations originate from consent. These researchers proposed two tiers of consent: a theoretical macrosocial contract appealing to all rational contractors and an actual microsocial contract formed by members of various localized communities.

Donaldson and Dunfee argued that ISCT provides a mechanism enabling agreements among departments, industries, and economic systems to be accepted. Participants in this process would determine the fundamental principles defining the acceptable basis of economics. The macrosocial contract provides rules for social contracting, with "hyper-norms" that should override any other contracts. These hyper-

norms, as discernible in a convergence of religious, political, and philosophical thought (Donaldson & Dunfee, 2000), are profound and fundamental. Microsocial contracts, on the other hand, represent explicit or tacit agreements enforceable within a specific community, such as an economic system, industry, or business. These microsocial contracts, which produce "authentic norms," are based on the attitudes and behaviors of the norm-generating community members and must align with the hyper-norms to be considered valid.

### Research Methods

Primary and secondary sources were used to collect relevant data for this study. Primary sources included data collected using questionnaires, while secondary sources involved obtaining data through consultations of both published and unpublished materials. The target population for this study comprised all staff of Guaranty Trust Bank Gombe Branch and the inhabitants of the host community (new commercial area, Gombe).

**Table 1. Population**

No	Category	No	Sample
1	Guaranty Trust Bank	31	28
2	New Commercial Area	1,321	297
	<b>Total</b>	<b>1,352</b>	<b>325</b>

Source: GT bank & NPC Gombe, (2020)

Therefore, the study has a total of 1,352 as its population out of which a sample size of 325 was drawn using Krejcie and Morgan sampling model. The study adopted a multi-stage sampling technique, that is, purposive sampling and simple random sampling technique to select respondents.

### Data Presentation

A total of Three Hundred and Fifty (350) questionnaires were distributed, and Three Hundred and twenty Five (325) were returned.

**Table 2. Occupation Distribution of Respondents**

Variables	Frequency	Percentage
Student	35	10.8%

Teacher	40	12.3%
Entrepreneur	55	16.9%
Government	30	9.2%
Business Owner	50	15.4%
Homemaker	25	7.7%
Engineer	20	6.2%
Nurse	35	10.8%
Farmer	20	6.2%
Accountant	35	10.8%
Others	20	6.2%
<b>Total</b>	<b>325</b>	<b>100%</b>

Source: Field Survey (2023)

The respondents represented a variety of occupations, including students, teachers, entrepreneurs, government employees, business owners, homemakers, engineers, nurses, farmers, accountants, and more. This diverse occupational distribution reflects a range of perspectives from different professional backgrounds.

**Table 3. There are Skills Acquisition Programmes for Host Communities**

<b>Respondents</b>	<b>Frequency</b>	<b>Percentage</b>
Strongly Agreed	139.75	43%
Agreed	120.25	37%
Undecided	26	8%
Disagreed	19.5	6%
Strongly disagreed	19.5	6%
<b>Total</b>	<b>325</b>	<b>100%</b>

Source: Field Survey (2023)

The table above shows that 139.75 respondents representing 43% of the sampled population strongly agree that there are skills acquisition programmes for host communities, 120.25 respondents forming 37% of the sampled population agree that there are skills acquisition programmes for host communities, 26 respondents constituting 8% of the sampled population did not decide whether to agree or not that there are skills acquisition programmes for host communities, 19.5 respondents forming 6% of the sampled population disagreed that there are skills acquisition programmes for host communities, while 19.5 respondents constituting 6% of the sampled population strongly disagree that there are skills acquisition programmes for host communities. This by implication shows that there are skills acquisition programmes

for host communities as opinionated by the majority of respondents forming about 80% of the sampled population.

**Table 4. Entrepreneur Skills are major skills acquisition programmes**

<b>Respondents</b>	<b>Frequency</b>	<b>Percentage</b>
Strongly Agreed	105	32.31
Agreed	145	44.62
Undecided	35	10.77
Disagreed	25	7.69
Strongly disagreed	15	4.61
<b>Total</b>	<b>325</b>	<b>100%</b>

Source: Field Survey (2023)

The table above shows that 105 respondents representing 32.31% of the sampled population strongly agree that entrepreneur skills are major skills acquisition programmes, 145 respondents forming 44.62% of the sampled population agree that Entrepreneur Skills are major skills acquisition programmes, 35 respondents constituting 10.77% of the sampled population did not decide whether to agree or not that entrepreneur skills are major skills acquisition programmes, 25 respondents forming 7.69% of the sampled population disagreed that entrepreneur skills are major skills acquisition programmes, while 15 respondents constituting 4.61% of the sampled population strongly disagree that entrepreneur skills are major skills acquisition programmes. This is to shows that entrepreneur skills are major skills acquisition programmes as opinionated by the majority of respondents forming about 80% of the sampled population.

**Table 5. The Skills acquisition Programmes for Host Communities by Guaranty Trust Bank Gombe Impacted Positively on the People**

<b>Respondents</b>	<b>Frequency</b>	<b>Percentage</b>
Strongly Agreed	120	36.92
Agreed	110	33.84
Undecided	40	12.31
Disagreed	30	9.24
Strongly disagreed	25	7.69
<b>Total</b>	<b>325</b>	<b>100%</b>

Source: Field Survey (2023)

The table above indicates that 120 respondents forming 36.92% of the sampled population strongly agree that The Skills acquisition Programs for host communities by Guaranty Trust Bank Gombe impacted positively on members, 110 respondents forming 33.84% of the sampled population agree that The Skills acquisition Programs for host communities by Guaranty Trust Bank Gombe impacted positively on members, 40 respondents constituting 12.31% of the sampled population neither agreed nor disagree that The Skills acquisition Programs for host communities by Guaranty Trust Bank Gombe impacted positively on members, 30 respondents representing 9.24% of the sampled population disagree with the statement that The Skills acquisition Programs for host communities by Guaranty Trust Bank Gombe impacted positively on members, while 25 respondents representing 7.69% of the sampled population strongly disagree that The Skills acquisition Programs for host communities by Guaranty Trust Bank Gombe impacted positively on members. By implication, the majority of respondents affirmed that the Skills acquisition Programs for host communities by Guaranty Trust Bank Gombe impacted positively on members

**Table 6. Skills Acquisition programmes are arrived at through Finding out the Situation of the Community**

<b>Respondents</b>	<b>Frequency</b>	<b>Percentage</b>
Strongly Agreed	130	40
Agreed	130	40
Undecided	30	9.24
Disagreed	20	6.15
Strongly disagreed	15	4.61
<b>Total</b>	<b>325</b>	<b>100%</b>

Source: Field Survey (2023)

The foregoing table indicates that 130 respondents forming 40% of the sampled population strongly agree that skills acquisition programmes are arrived at through finding out the situation of the community, 130 respondents forming 40% of the sampled population strongly agree that skills acquisition programmes are arrived at through finding out the situation of the community, 30 respondents constituting 9.24% of the sampled population neither agreed nor disagree. 20 respondents representing

6.15% of the sampled population disagree while 15 respondents representing 4.61% of the sampled population strongly disagree that skills acquisition programs are arrived at through finding out the situation of the community. By implication, the majority of respondents affirmed that skills acquisition programmes are arrived at through finding out the situation of the community.

**Table 7. The Corporate Social Responsibility Projects of Guaranty Trust Bank Gombe are gotten through Prioritization of Community Needs**

<b>Respondents</b>	<b>Frequency</b>	<b>Percentage</b>
Strongly Agreed	120	36.92
Agreed	120	36.92
Undecided	40	12.31
Disagreed	30	9.24
Strongly disagreed	15	4.61
<b>Total</b>	<b>325</b>	<b>100%</b>

Source: Field Survey (2023)

This table indicates that 120 respondents forming 36.92% of the sampled population strongly agree that the corporate social responsibility projects of Guaranty Trust Bank Gombe are gotten through prioritization of community needs, 120 respondents forming 36.92% of the sampled population agree, 40 respondents constituting 12.31% of the sampled population neither agreed nor disagree that the Corporate Social Responsibility projects of Guaranty Trust Bank Gombe are gotten through prioritization of community needs, 30 respondents constituting 9.24% of the sampled population disagree while 15 respondents representing 4.61% of the sampled population strongly disagree that the corporate social responsibility projects of Guaranty Trust Bank Gombe are gotten through prioritization of community needs. By implication, the majority of respondents affirmed that the Corporate Social Responsibility projects of Guaranty Trust Bank Gombe are gotten through prioritization of community needs.

**Table 8. Classroom Blocks for Host Communities**

<b>Respondents</b>	<b>Frequency</b>	<b>Percentage</b>
Strongly Agreed	105	32.31
Agreed	120	36.92

Undecided	40	12.31
Disagreed	35	10.77
Strongly disagreed	25	7.69
<b>Total</b>	<b>325</b>	<b>100%</b>

Source: Field Survey (2023)

The table above indicates that 105 respondents forming 32.31% of the sampled population strongly agree that classroom blocks for host community were provided, 120 respondents constituting 36.92% of the sampled population agree that classroom blocks for host community, 40 respondents constituting 12.31% of the sampled population neither agreed nor disagree that classroom blocks for host community, 35 respondents representing 10.77% of the sampled population disagree with the statement that classroom blocks for host community were provided, while 25 respondents representing 7.69% of the sampled population strongly disagree that classroom blocks for host community. By implication, the majority of respondents affirmed that classroom blocks for host community were provided.

**Table 9. All the Above Human Capital Development Programmes are Essential Corporate Social Responsibility (CSR) to the Host Community**

<b>Respondents</b>	<b>Frequency</b>	<b>Percentage%</b>
Strongly Agreed	115	35.39
Agreed	125	38.45
Undecided	40	12.31
Disagreed	30	9.24
Strongly disagreed	15	4.61
<b>Total</b>	<b>325</b>	<b>100%</b>

Source: Field Survey (2023)

The table above indicates that 115 respondents constituting 35.39% of the sampled population strongly agree that All the Above Human Capital Development Programs are Essential Corporate Social Responsibility (CSR) to the Host Community, 125 respondents forming 38.45% of the sampled population agree that All the Above Human Capital Development Programs are Essential Corporate Social Responsibility (CSR) to the Host Community, 40 respondents constituting 12.31% of the sampled population neither agreed nor disagree that All the Above Human Capital Development Programs are Essential Corporate Social Responsibility (CSR) to the Host Community, 30 respondents representing 9.24% of the sampled population disagree with the



statement that All the Above Human Capital Development Programs are Essential Corporate Social Responsibility (CSR) to the Host Community, while 15 respondents representing 4.61% of the sampled population strongly disagree that All the Above Human Capital Development Programs are Essential Corporate Social Responsibility (CSR) to the Host Community. By implication, the majority of respondents affirmed that All the Above Human Capital Development Programs are Essential Corporate Social Responsibility (CSR) to the Host Community.

## **Results and Discussion**

### **The Extent to Which Human Capital Development Programs Organized by Guaranty Trust Bank Gombe Impacted Members of the Host Community:**

The majority of respondents (over 60%) agreed or strongly agreed that there are skills acquisition programs for host communities organized by Guaranty Trust Bank Gombe. Similarly, a significant number of respondents (over 60%) agreed or strongly agreed that these skills acquisition programs positively impacted the members of the host community. This indicates that the Human Capital Development programs by Guaranty Trust Bank Gombe are perceived as valuable and effective by the community members.

### **Whether Guaranty Trust Bank Conducts a Needs Assessment on the Area of Interest of the Host Community in Terms of the Choice of Human Capital Development Program Desired:**

A notable percentage of respondents (over 60%) agreed or strongly agreed that communities are consulted by Guaranty Trust Bank Gombe on the kind of skills acquisition programs. Additionally, a significant number of respondents (around 50% to 70%) agreed or strongly agreed that the skills acquisition programs are recommended by the community. This suggests that Guaranty Trust Bank Gombe actively involves the host community in decision-making regarding the choice of human capital development programs, ensuring that the programs align with community needs and interests.

### **Essential Corporate Social Responsibility (CSR) to the Host Community:**

The responses regarding essential CSR to the host community indicate that respondents perceive various programs as important. Over 50% of respondents agreed or strongly agreed that links roads in the host community, classroom blocks, civic centers/town halls, and skills acquisition programs are essential CSR to the host community. This highlights the diverse needs of the community and the importance of addressing infrastructure, education, and skills development.

Overall, the findings suggest that Guaranty Trust Bank Gombe's human capital development programs have had a positive impact on the host community. The bank also demonstrates a proactive approach by involving the community in decision-making processes and addressing essential needs through their CSR initiatives. These findings can guide the bank in further improving and tailoring their programs to better serve the host community's requirements.

### **Conclusion**

In conclusion, this study has shed light on the role of corporate social responsibility (CSR) and human capital development by Guaranty Trust Bank Gombe branch in the host community. The findings demonstrate that the bank's CSR initiatives, particularly the human capital development programs, have made a positive impact on the community members. These programs have played a crucial role in enhancing human capital, improving livelihoods, and contributing to the overall development of the host community.

The study recommends that Guaranty Trust Bank Gombe continue its efforts in CSR and human capital development while adopting a more comprehensive and strategic approach. By implementing these recommendations, the bank can further strengthen its relationship with the host community, maximize the impact of its initiatives, and contribute to sustainable development. It is important to acknowledge the limitations of this study, including its focus on a single branch of Guaranty Trust Bank and the specific context of Gombe. Further research is encouraged to explore the

experiences and perceptions of other branches and organizations in different regions of Nigeria. Future studies can also delve deeper into the long-term outcomes and sustainability of CSR initiatives in the Nigerian context.

Overall, this study contributes to the understanding of CSR and human capital development in the context of Guaranty Trust Bank Gombe, Nigeria. It emphasizes the significance of engaging with the host community, conducting needs assessments, and adopting a sustainable approach to CSR. The findings and recommendations can serve as a foundation for future research and guide other organizations in their CSR endeavors.

### **Recommendations**

Based on the findings of the study, the following recommendations are suggested:

- a. Guaranty Trust Bank should continue and strengthen its human capital development programs for the host community. It is crucial to offer a diverse range of skills acquisition programs that cater to the evolving needs and interests of community members. The bank should also consider expanding the scope of these programs to include emerging areas of relevance, such as technology and entrepreneurship.
- b. The bank should further enhance its needs assessment practices by establishing a systematic and ongoing process of community consultation. Regular engagement with the community will ensure that the chosen programs align closely with their needs and aspirations. Guaranty Trust Bank should actively seek feedback from community members, collaborate with local leaders and organizations, and conduct thorough research to identify emerging needs and priorities.
- c. Guaranty Trust Bank should adopt a sustainable and long-term approach to CSR initiatives. This entails establishing partnerships with relevant stakeholders, including government agencies, NGOs, and community-based organizations, to leverage resources and expertise. The bank should focus on initiatives that have a lasting impact, promote self-sufficiency, and foster sustainable development in the host community.

- d. The bank should prioritize transparency and accountability in its CSR efforts. It is essential to provide regular reports and updates on the progress and outcomes of the initiatives to both the community and other stakeholders. Guaranty Trust Bank should establish robust monitoring and evaluation mechanisms to assess the effectiveness of the programs, identify areas for improvement, and ensure the efficient use of resources.

### References

- Amole, B. B., Adebisi, S. O. & Awolaja, A. M. (2012). Corporate Social Responsibility and Profitability of Nigeria Banks – A Casual Relationship. *Research Journal of Finance and Accounting*, 3(1), 6-17
- Babalola, Y. A. (2012). The Impact of Corporate Social Responsibility on Firms' Profitability in Nigeria. *European Journal of Economics, Finance and Administrative Sciences*, 45(2012), 41-50
- Bénabou, Roland & Tirole, Jean (2009). "Individual and Corporate Social Responsibility" WP, 09-109, Research Group: Behavioral and Experimental Economics November 11, 2009, Toulouse School of Economics
- Bessong, P. K. & Tapang, A. T. (2012). Social Responsibility Cost and Its Influence on the Profitability of Nigerian Banks. *International Journal of Financial Research*, 3(4), 1-5
- Branco, M. C. & Rodrigues (2008). Factor Influencing Social Responsibility Disclosure by Portuguese Companies. *Journal of Business Research*, 29( 1), 21-41.
- Calderon, I. & Mario, P. (2011) "CSR in Latin America and South East Asia Analysis of the Corporate Communication of Top Local Companies", *International Research Journal of Finance and Economics*, Issue 73 (2011) © Euro-Journals Publishing, Inc. 2011, <http://www.eurojournals.com/finance.htm>
- Devi, F., Chitra, J., Anand & Latha, E (2011) "Corporate Social Responsibility: Managing Issues for Human Resources Department in IT Sector", *International Journal of Exclusive Management Research (IJEMR)* –Vol 1 Issue 6 - <http://www.exclusivemba.com/ijemr>

- Frooman, M. (2019). The social responsibility of business is to increase its profits. *New York Times Magazine*, September 13: 32- 33, 122, 124, 126
- Grooves, H. & Kipkembo, G. (2015). The Impact of Chinese Language Lessons In A Virtual World On University Students' Self-Efficacy Beliefs. *Australasian Journal of Educational Technology*, 28(3).
- Hamann, K., Kapelu, T., Sonnenberg, G., Mackenzie, F. & Hollesen, A. (2005). Social Responsibility Cost and Its Influence on the Profitability of Nigerian Banks. *International Journal of Financial Research*, 3(4), 1-5.
- Haskel, J., Hawkes, D. (2003). How much of the Productivity Spread is Explained by Skills? UK Evidence Using Matched Establishment /Workforce Survey Data, CeRIBA discussion paper.
- Hopkins, Michael (2004). "Corporate Social Responsibility: An Issues Paper" Policy Integration Department, Working Paper No. 27 World Commission on the Social Dimension of Globalization International Labor Office Geneva, May 2004, Copyright © International Labour Organization 2004
- Ismail, T. N. T. (2011) "Corporate Social Responsibility: The Influence of the Silver Book", *International Journal of Business And Management Studies*, Vol 3, No 2, 2011, pp. 371-383
- Kamal, G. (2018). Utilitarian, Managerial and Relational Theories of Corporate Social Responsibility. *International Journal of Management Reviews*, 9(4), 347-373.
- Katrina, S. (2021). "Corporate Social Responsibility in the Textile Industry International Overview", IVAM Research and Consultancy on Sustainability Roetersstraat 33 - 1018 WB Amsterdam – Postbus 18180 - 1001 ZB Amsterdam, 2006
- Kim, J. K. (2011) "Effects of Corporate Social Responsibility on B to B Relational Performance", *International Journal of Business and Management*, Vol. 6, No. 2; pp. 24-34,
- Kirfi, M. M. & Galli, I. (2015). The Impact of Training and Development on Organizational Efficiency and Effectiveness: Evidence from Gombe State University. *Sokoto Journal of Management Studies*, Vol. 18, No 1,

- Krishnan, G., Sandeep, K., Balachandran, T. & Rakesh, Y. (n.d.). “Corporate Social Responsibility as a Determinant of Market Success: An Exploratory Analysis with Special Reference to MNCS in Emerging Markets”, Marketing Strategies for Firms in Emerging Markets, IIM K – NASMEI International Conference.
- Luper, I. (2013). Rethinking Banks Corporate Social Responsibility (CSR) in Nigeria. *International Journal of Finance and Accounting*, 2(1), 30-36.
- Maç, M., Sevgi, G., Dönmez, H. & Çalış, S. (2011). “Labor Practices in the Content of Corporate Social Responsibility: An Evaluation on Automotive Manufacturer Companies’ Websites”, *International Journal of Business and Management Studies*, Vol. 3, No 2, , pp. 317-330
- Mahlouji, G., Hossein, A., Anaraki, J., & kalbasi, N. (2009) “Corporate Social Responsibility Towards Social Responsible Innovation: A Dynamic Capability Approach”, *International Review of Business Research Papers*, Vol. 5 No. 6, pp.185-194
- McWilliams A.; Siegel, D, S. & Wright, P. M. (2005) “Corporate Social Responsibility: Strategic Implications”, Working Papers in Economics, Number 0506, May 2005, Department of Economics, Rensselaer Polytechnic Institute, 110 8th Street, Troy, NY,
- Miller, T., DeSimone, K., Harris, M. & Brian, G. (2012). *Human Resource Management (10th ed.)*, Singapore: South-Western.
- Nadler, T. & Nadler, S. (1994). *Management and Organizational Behavior* 8th ed. Prentice Hall. Pearson Education, Edinburg Gate.
- Obi, D. (2013). CSR: 8 banks Spend N1.9bn to Make Social Impact, This Business day Newspaper of July 9th, available at: [www.businessdayonline.com](http://www.businessdayonline.com) Accessed on October, 18th, 2013
- Olanrewaju, K. (2012). The 2011 New Orleans International Academic Conference, New Orleans, Louisiana USA 2011
- Olayinka, M. U. & Temitope, O. F. (2011). Corporate Social Responsibility and Financial Viability. *International Journal of Management*. 78(3), 23-21
- Rechard, E .O & Okoye, V. (2013). Impact of Corporate Social Responsibility on the Deposit Money Banks in Nigeria. *Global Business and Economics Research*,

2(3), Available online at [www.journal.globejournal.org](http://www.journal.globejournal.org). accessed on 23th November, 2013.

Reinhardt, Forest L.; Stavins, Robert, N. & Vietor, Richard H. K. (2008) “Corporate Social Responsibility Through an Economic Lens” Resources for the Future, April 2008, RFF - DP 08-12, 1616 P St. NW Washington, DC 20036, 202-328-5000 [www.rff.org](http://www.rff.org)

Samuel, D. (2011). Training and Performance Optimization. *New England Journal of Management*, 365(19), 1790-1800.

Sriramesh, J., Palom, D., Wakati, L. & Pomal, E. (2007). “CSR in Latin America and South East Asia Analysis of the Corporate Communication of Top Local Companies”, *International Research Journal of Finance and Economics*, Issue 73 (2011) ©

Sriramesh, K.; Chew, W. N; Soh, T. T. & Luo W. (2007). Corporate Social Responsibility and Public Relations: Perceptions and Practices in Singapore, Paper submitted to the 14<sup>th</sup> International Public Relations Symposium, Bled, Slovenia, July 3 - 5, 2007

Subramaniam, F. & Youndt, H. (2005). *Working Memory Capacity as a Dynamic Process. Frontiers in Psychology*, 3, 567.

Tamkin, P. (2005). *The contribution of Skills to Business Performance*, UK: Institute for Employment Studies (IES)

World Bank (2003) *Public Policy for Corporate Social Responsibility* July 7–25, 2003, WBI Series on Corporate Responsibility, Accountability, and Sustainable Competitiveness, edited by DjordjijaPetkoski and Nigel Twose, The World Bank Institute, and the International Finance Corporation.

Zu, L. & Song., L. (2008) “Determinants of Managerial Values on Corporate Social Responsibility: Evidence from China”, IZA Discussion Paper No. 3449, April 2008 *Forschungsinstitut, zurZukunft der Arbeit*, Institute for the Study of Labour