Corporate Social Responsibility of Nigerian Liquified Natural Gas Company in Community Development in Rivers State, Nigeria

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Abstract- The study examined corporate social responsibility of Nigeria liquified natural gas company in community development in Rivers State. two objectives, research questions and hypotheses respectively guided the study. The study adopted the descriptive survey research design. The population of the study was composed of 362 respondents (54 NLNG admin staff and 308 community leaders). A sample of 181 respondents 42 NLNG admin staff and 139 community leaders) constituted the sample size for the study. The stratified random sampling technique was adopted in obtaining the sample size. The instrument for the study was a 15-item questionnaire addressing the research questions and eliciting High Extent, Moderate Extent, Low Extent, and Very Low Extent response options. The instrument was validated, and the reliability established at 0.86 using Pearson r. Mean and standard deviation were used in answering the research questions while z-test was used in testing the hypotheses at 0.05 level of significance. The study found among others that there were no significant differences in the mean ratings of NLNG administrative staff and community leaders on the extent Nigeria NLNG company facilitated the development of host communities in the areas of school infrastructures and health services as its corporate social responsibility in Rivers State. The study concluded that Nigeria is endowed with abundant natural resources such as crude oil and gas. NLNG Company was established to harness the vast natural gas and build a better Nigeria by developing her host communities. It recommended among others that the government should ensure the stoppage of gas flaring and minimize the environmental impact on host communities.

Indexed Terms- NLNG Company, Corporate Social Responsibility, Community Development, Host Communities, Facilitation, School Infrastructure, Health Services.

I. INTRODUCTION

Nigeria is a country that is endowed with abundant natural resources such as crude oil and gas etc. the Nigeria liquified Natural Gas (NLNG) Company was established to harness Nigeria's vast natural gas resources and produce Liquified Natural Gas (LNG) and Natural Gas Liquids (NGLs) for export. The company helps to build a better Nigeria by processing, shipping and marketing efficiently and profitably the country's gas resources and by putting out the flares, thus diversifying the economy and minimizing the environmental impact of its activities and products (NLNG, 2016). The company will set the standards in community relations and technology transfer and will execute and operate its business with an international outlook and mindset. The mission of the company is to market, produce and deliver liquified natural gas and natural gas liquids to buyers and being a trusted partner with all her stakeholders in the sustainable development of Nigeria's gas industry and NLNG host communities (NLNG, 2016).

NLNG's hosts are those communities where the NLNG plant is located, other NLNG facilities and the communities the NLNG Gas Transmission System (GTS) traverses. NLNG GTS cuts across one hundred and ten (110) communities, which cut across nine (9) Local Government Areas in Rivers State. the Corporate Head Office and the supply base, where most logistics and pipeline activities are coordinated,

has two major hosts: Ogbum-nu-Abali and Amadi-Ama communities (NLNG, 2016). The Nigeria LNG Company is strategically designed to utilize the abundant gas resources of the nation, which are paradoxically currently being wasted through decades of flaring and associated adverse consequences on the regional climate. The company has commenced its operations without disruption from community members as a proof of the existing cordial relationship between the company and its host communities.

It therefore, becomes imperative for NLNG Company to reciprocate this gesture by developing her host communities through various programmes, schemes, projects and interventions. The main objective of Corporate Social Responsibility (CSR) is to enhance responsibility for the company's activities in the host communities and promote desirable impacts of the activities in the environment (Ogbonna, 2023).

The theoretical foundation of this study is based on the social responsibility theory by John Rawles (1971) as cited in Wami (2020). This theory emphasizes sense of responsibility on the part of every corporate organization and members of a community to hold the interest of the community as top priority. In community development and peace building process, social responsibility theory mechanism is mostly appropriate for narrating the importance of active participation of community members in community development and peace building process. Thus, this theory ensures a lot of commitment on corporate organizations members (Wami, community 2020). The achievement of peaceful atmosphere depends on the ability of the community leaders, members and stakeholders, to adopt peace education in their institutional/corporate and individual responsibility and putting community's interest beyond their personal and parochial interest.

As a concept, community development is a movement designed to promote better living with the active participation and if possible, on the initiative of the community, but if this initiative is not forth coming spontaneously, by the use of techniques for arousing and stimulating it in order to ensure its active and enthusiastic response to the movement

(Kobani & Alozie, 2015). Community development is a process where community members come together to take collective action and generate solutions to common problems (Frank & Smith in Wami & Victor, 2022). Ezimah in Wami (2022) posited that community development is a process of special action in which people of the community organize themselves for planning, define their own common and individual needs and problems, make group and individual plans to meet their needs and solve problems, execute their plans with maximum reliance on the community resources and supplement these resources only when necessary with resources and materials from governmental and non-governmental agencies outside the community.

Barikor in Wami (2022) asserted that community development is an integrated process by which the efforts of the citizens (i.e., rural system) are united with those of governmental authorities and voluntary agencies to improve the social, economic, and cultural conditions of the community, the very index of development posture of the nation. International Association for Community Development (IACD, 2016) averred that community development is a practice-based profession and an academic discipline that promotes participative democracy, sustainable development, rights, economic opportunity, equality and social justice, through the organization, education and empowerment of people within their communities, whether these be of locality, identity or interest, in urban and rural settings. Oni in Owede (2022) opined that community development is the totality of efforts made which results in the aggregate improvement of the community with observable better living conditions among members of the community.

Onyeike and Lelekume (2013) conducted a study and found out that multinational companies contributed to education and infrastructure development within the operational area. NLNG (2016) revealed that host communities and pipeline communities have enjoyed amenities such as schools among others from NLNG Company. For example, Bonny Island houses NLNG's vocational centre accredited by UK City and Guilds Institute. NLNG is involved in the building of schools in her host communities (Omotowa in NLNG, 2016). Maduagwu and Nwogu in Ogbonna

(2023) asserted that building of schools amounts to infrastructural development. school buildings are tangible structures which serves as shelters for educational activities. They include among others, laboratories, workshops, teachers' common rooms/offices, toilets, restrooms, reading rooms, dispensaries, libraries, hostels, dormitories, dining halls, assembly hall, staff quarters and others. School infrastructure is a component of the school plant provided for the purpose of educating community members. Therefore, the goals and purposes of the resources the school commands and the treatment the school exercises over its beneficiaries are influenced, controlled and legitimized by the community. The inputs to the school system in terms of human and material resources are from the community (Ojidele in Anyaogu, 2014).

In a study conducted by Ganiyu (2013), it was revealed that community development efforts of the multinational companies include offer of scholarship and provision of health services, among others. Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity. (WHO in Oku, 2016, Esobhawan, Ebelebe & Ezikpe, 2016). Health is an essential aspect of medical services provided to community members to enhance their physical fitness and metal well-being. The Bonny Community Health Insurance Programme, a public health initiative sponsored by Nigeria LNG Company commenced in 2019. The programme is community-based health insurance initiative that is geared towards providing access to affordable, sustainable and quality healthcare services without the beneficiaries making out of the pocket of expense when accessing medical care (NLNG, 2016). To boost the health and wellbeing of the people NLNG's primary host communities, the malaria elimination project fits into larger public health initiatives. Through this project NLNG will have established a strong surveillance system for malaria elimination in host communities (NLNG, 2016).

II. STATEMENT OF THE PROBLEM

Nigeria is endowed with abundant natural resources including crude oil and gas. Over the years, the Nigerian LNG Company as a major gas exploring and exporting company has generated billions of naira for the Nigerian government due to its operations in River State, yet nothing meaningful to show in terms of development of host communities and this has led to dire consequences, among which are lack of adequate school infrastructure and medical services in host communities. In the light of the above facts, the researcher considers it imperative to examine the corporate social responsibility of NLNG in community development in Rivers State, Nigeria

III. PURPOSE OF THE STUDY

The purpose of the study was to examine the corporate social responsibility of Nigeria Liquified Natural Gas Company in community development in Rivers State, Nigeria. The specific objectives were to:

1.Find out the extent Nigerian LNG Company has facilitated the development of host communities in the area of school infrastructure as a corporate social responsibility in Rivers State

2.Ascertain the extent Nigerian LNG Company has facilitated the development of host communities in the area of health services as a corporate social responsibility in Rivers State

IV. RESEARCH QUESTIONS

The following research questions guided the study:

1.To what extent has Nigerian LNG Company facilitated the development of host communities in the area of school infrastructure as a corporate social responsibility in Rivers State?

2.To what extent has Nigerian LNG Company facilitated the development of host communities in the area of health services as a corporate social responsibility in Rivers State?

V. HYPOTHESES

The following null hypotheses were tested at 0.05 level of significance:

1. There is no significant difference in the mean ratings of NLNG administrative staff and community leaders on the extent Nigerian LNG Company has facilitated the development of host communities in the area of school infrastructure as a corporate social responsibility in Rivers State.

2. There is no significant difference in the mean ratings of NLNG administrative staff and community leaders on extent Nigerian LNG Company has facilitated the development of host communities in the area of health services as a corporate social responsibility in Rivers State.

VI. METHODOLOGY

The study adopted the descriptive survey research design. The population of the study was composed of 362 respondents. This comprised 54 NLNG administrative staff and 308 community leaders in Rivers State. from the population, a sample of 181 respondents, 42 of which were NLNG administrative staff and 139 of which were community leaders constituted the sample size, representing 50% of the entire population. The sample size was obtained through stratified random sampling technique. The instrument for data collection was a questionnaire tagged "Corporate Social Responsibility of NLNG in Community Development Questionnaire". consisted of two sections, A and B. Section A

generated demographic information of the respondents while section B had items addressing the research questions and eliciting High Extent (HE) = 4points, Moderate Extent (ME) = 3points, Low Extent (LE) = 2points, and Very Low Extent (VLE) = 1point responses. The instrument was validated, and the reliability established at 0.86 using Pearson r. Mean and standard deviation were used in answering the research questions while z-test was used in testing the hypotheses at 0.05 level of significance. Decisions taken were those values from 3.50-4.00 were regarded as HE, from 2.50-3.49 were regarded as ME, from 1.50-2.49 were regarded as LE, and 0.50-1.49 were regarded as VLE respectively. A null hypothesis was accepted when the calculated z-value was less than the critical z-value of 1.96.

VII. RESULTS

181 copies of questionnaire were administered to the respondents, but only 176 were retrieved and used for the study. The results obtained after data analysis were presented below:

Research Question 1: To what extent has Nigeria LNG company facilitated the development of host communities in the area of school infrastructure as a corporate social responsibility in Rivers State?

Table 1a: Extent NLNG Has Facilitated Development of Host Communities in the Area of School Infrastructure.

S/N	Questionnaire	NLNG Admin Staff (N			Community Leaders (N =				
	Items	=40)			136)	136)			
		\bar{X}_1	SD_1	Remarks	$ar{X}_2$	SD_2	Remarks		
1.	The Nigeria LNG	3.32	0.72	Moderate	3.32	0.81	Moderate		
	Company has built school classrooms in my community.			Extent			Extent		
2.	The company has done renovations in the school in my community.	3.28	0.66	Moderate Extent	3.32	0.73	Moderate Extent		
3.	The company has built a library for the students In	3.27	0.69	Moderate Extent	3.13	0.91	Moderate Extent		

4.	my community The company has built a hostel for	3.14	0.88	Moderate Extent	3.19	0.87	Moderate Extent
	the students In my community.			Extent			Extent
5.	The company has built teachers' quarters In my community.	3.30	0.63	Moderate Extent	3.09	0.84	Moderate Extent
6.	The company has built a laboratory for the school	3.33	0.62	Moderate Extent	3.24	0.70	Moderate Extent
7.	The company has equipped the laboratory of the school In my community with tools for practical.	3.32	0.66	Moderate Extent	3.16	0.84	Moderate Extent
8.	The company has provided sports facilities for the school in my community	3.16	0.81	Moderate Extent	3.07	0.83	Moderate Extent
9.	The company has provided sports first aid facilities for the school in my community	3.82	0.99	Moderate Extent	2.94	1.04	Moderate Extent
	Aggregate $ar{X}_1$ /SD	3.22	0.74		3.16	0.84	

Source: Field Survey Data, 2024

The data on Table 1a shows that items 1,2,3,4,5,6,7,8, and 9 with mean vales of 3.32, 3.28, 3.27, 3.14, 3.30, 3.33, 3.16, 2.82 and standard deviation values of 0.72, 0.66, 0.69, 0.88, 0.63, 0.62, 0.66, 0.81, and 0.99 for NLNG administrative staff; and mean values of 3.32, 3.32, 3.13, 3.19, 3.09, 3.24, 3.16, 3.07, 2.94 and standard deviation values of 0.81, 0.73, 0.91, 0.87, 0.84, 0.70, 0.84, 0.83, and 1.04 for community leaders respectively fell within the range of moderate extent. Therefore, with an aggregate mean score of 3.22 for NLNG administrative staff and 3.16 for community leaders, it was evident that the respondents agreed that Nigeria LNG company has facilitated the development of host communities in the area of

school infrastructure as a social corporate responsibility in Rivers State to a moderate extent.

Research Question 2: To what extent has Nigeria LNG company facilitated the development of host community in the area of health services as corporate social responsibility in Rivers State?

Table 2a: Extent NLNG Has Facilitated Development of Host Communities in the Area of Health Services

S/N	Questionnaire		lmin Staff (N		Community Leaders (N		Services
	Items	= 40)			= 136)	_	
		\bar{X}_1	SD_1	Remarks	\bar{X}_2	SD_2	Remarks
10.	The Nigeria LNG Company has provided healthcare through dispensaries in my community.	3.24	0.72	Moderate Extent	2.87	1.10	Moderate Extent
11.	The company has employed opticians to conduct routine checks on those having eye problems in my community.	3.32	0.73	Moderate Extent	3.18	0.97	Moderate Extent
12.	The company has donated free eyeglasses in my community	3.23	0.74	Moderate Extent	3.31	0.75	Moderate Extent
13.	The company has provided access to affordable health care services in my community.	3.34	0.71	Moderate Extent	3.24	0.77	Moderate Extent
14.	The company has provided healthcare training to members of my community.	2.81	1.01	Moderate Extent	2.96	1.01	Moderate Extent
15.	The company has enhanced the mental wellbeing of members of my community	3.19	0.88	Moderate Extent	3.33	0.72	Moderate Extent
	Aggregate $ar{X}_1$ /SD	3.19	0.80		3.15	0.87	

Source: Field Survey Data, 2024

The data on Table 2a shows that items 10,11,12,13,14, and15 with mean vales of 3.24, 3.32,

3.23, 3.34, 2.81, 3.19 and standard deviation values of 0.72, 0.73, 0.74, 0.71, 1.01, and 0.88 for NLNG

administrative staff; and mean values of 2.87, 3.18, 3.31, 3.24, 2.96, 3.32 and standard deviation values of 1.10, 0.87 0.75, 0.77, 1.01, and 0.72, for community leaders respectively fell within the range of moderate extent. Therefore, with an aggregate mean score of 3.19 for NLNG administrative staff and 3.15 for community leaders, it was evident that the respondents agreed that Nigeria LNG company has facilitated the development of host communities in the area of health services as a social corporate responsibility in Rivers State to a moderate extent.

Hypothesis 1: There is no significant difference in the mean ratings of NLNG administrative staff and community leaders on the extent Nigeria LNG Company has facilitated the development of host communities in the area of school infrastructure as a corporate social responsibility in Rivers State.

Table 1b: Z-test Analysis of Difference in Mean Ratings of NLNG Administrative Staff and Community Leaders on the Extent of Facilitation of Development of Host Communities in the Area of School Infrastructure.

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Respondents	N	\bar{X}	SD	DF	Level of Z-Cal. Significance	Z-Crit.	Decision	
Admin Staff	40	3.22	0.74	174	0.05	0.44	1.96	H_{01}
Comm. Lead.	136	3.16	0.84					Accepted

Source: Field Survey Data, 2024

The data on Table 1b reveals that the z-test statistics calculated and used in testing the hypothesis stood at 0.44 while the critical z-value stood at 1.96, using 174 degree of freedom and 0.05 level of significance. Since the calculate z-value was less than the critical z-value, the researcher therefore, accepted the null hypothesis of no significant difference in the mean ratings of NLNG administrative staff and community leaders on the extent Nigeria LNG Company has facilitated the development of host communities in the area of school infrastructure as a corporate social responsibility in Rivers State.

Hypothesis 2: There is no significant difference in the mean ratings of NLNG administrative staff and community leaders on the extent Nigeria LNG Company has facilitated the development of host communities in the area of health services as a corporate social responsibility in Rivers State.

Table 2b:Z-test Analysis of Difference in Mean Ratings of NLNG Administrative Staff and Community Leaders on the Extent of Facilitation of Development of Host Communities in the Area of Health Services.

Table 2b: Z-test Analysis of Difference in Mean Ratings of NLNG Administrative Staff and Community Leaders on the Extent of Facilitation of Development of Host Communities in the Area of Health Services.

Respondents	N	\bar{X}	SD	DF	Level of Significance	Z-Cal.	Z-Crit.	Decision
					Significance			
Admin Staff	40	3.19	0.80					
				174	0.05	0.27	1.96	
								H_{01}
Comm. Lead.	136	3.15	0.87					Accepted
Source: Field Survey Data, 2024								

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The data on Table 2b reveals that the z-test statistics calculated and used in testing the hypothesis stood at 0.27 while the critical z-value stood at 1.96, using 174 degree of freedom and 0.05 level of significance. Since the calculate z-vale was less than the critical z-value, the researcher therefore, accepted the null hypothesis of no significant difference in the mean ratings of NLNG administrative staff and community leaders on the extent Nigeria LNG Company has facilitated the development of host communities in the area of health services as a corporate social responsibility in Rivers State.

VIII. DISCUSSION OF FINDINGS

Table 1a of this study revealed that the Nigeria LNG Company has built school classrooms; done renovations; built libraries for students; built hostels for the students; built teachers' quarters; built laboratories for schools; equipped laboratories with tools for practical; provided sports facilities for schools and provided first aid facilities for schools. This is the extent NLNG has facilitated the development of host communities in the area of school infrastructure as its corporate social responsibility in Rivers State. this discovery is in tandem with the assertion of NLNG (2016) that host communities and pipeline communities have enjoyed amenities such as schools among others from NLNG Company. Omotowa in NLNG (2016) posited that NLNG is involved in the building of schools in her host communities. Onyeike and Lelekume (2013) that multinational corroborated companies education infrastructure contributed to and development within their operational area. Building of schools amounts to infrastructural development (Maduagwu & Nworgu in Ogbonna, 2023).

Furthermore, Table 2a of this study revealed that the Nigeria LNG Company has provided healthcare through dispensaries; employed opticians to conduct routine checks on those having eye problems; donated free eyeglasses; provided access to affordable healthcare services; provided healthcare training to community members and enhanced the mental wellbeing of members of host communities. This is the extent NLNG has facilitated the development of host communities in the area of health services as corporate social responsibility in

Rivers State. in agreement with this finding, NLNG (2016) asserted that the Bonny Community Health Insurance Programme, is geared towards providing access to affordable, sustainable, and quality healthcare services without the beneficiaries making out of pocket expense when accessing medical care. Ganiyu (2013) revealed that community development efforts of multinational companies include offer of scholarship and provision of health services among others.

The findings of this study also revealed in Table 1b and 2b that there were no significant differences in the mean ratings of NLNG administrative staff and community leaders on the extent Nigeria LNG Company has facilitated the development of host communities in the areas of school infrastructure and healthcare services as its corporate social responsibility in Rivers State. This finding agrees with the assertion of Ogbonna (2023) that Nigeria LNG Company has commenced its operations without disruptions from community members as a proof of the existing cordial relationship between the company and its host communities. It therefore becomes imperative for NLNG Company to reciprocate this gesture by developing her host communities through various programmes, schemes, projects and interventions. The main objective of corporate social responsibility is to enhance responsibility for the company's activities in the host communities and promote desirable impacts of the activities in the environment.

CONCLUSION

A conclusion section is not required. Although a conclusion may review the main points of the paper, do not replicate the abstract as the conclusion. A conclusion might elaborate on the importance of the work or suggest applications and extensions. Conclusion

Nigeria is endowed with abundant natural resources such as crude oil and gas. NLNG Company was established to harness the vast natural gas and build a better Nigeria by developing her host communities. To a moderate extent, the Nigeria LNG Company has facilitated the development of host communities in the areas of school infrastructure and health services

as its corporate social responsibility. More is needed from NLNG Company to minimize the environmental impact of its activities in host communities.

RECOMMENDATIONS

Based on the findings of the study, the following recommendations were made:

- 1. Nigeria LNG Company should ensure the effective development of host communities by providing adequate school infrastructure such as classrooms, staff quarters, libraries, laboratories, sports facilities, and dormitories as part of her corporate social responsibility.
- 2. NLNG administrative staff should ensure that host communities are provided with adequate and effective health services such as medical care through dispensaries, conduct routine checks, train community members on healthcare and enhance the well-being of members of host communities.
- 3. The government should ensure the stoppage of gas flaring and minimize the environmental impact on host communities.

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