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Accounting Perspective of Social Footprint Disclosure and its Implication on Firm's Value of Selected Oil and Gas Companies in Nigeria

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Abstract: This study examined the disclosure of social footprint on firms' value in Nigeria. In other to achieve the targeted objective, perceptual data on social footprint and firms' value were collected from seven (7) oil and gas firms listed in the Nigerian Exchange Group(NEG) from 2012 to 2021. The 7 companies selected formed a sample representation of the population and also created 70 observations as panel data. The sampling technique used for this study was non-probability sampling since the study data was secondary data, and also purposive and quantitative. Social footprint which is the independent variable was proxy as Community disclosure (COMD), employee relation disclosure (EMPD), and customer complaint disclosure (CCCD), while firm value (the dependent variable), was measured using Tobin Q (TOBQ). Findings indicate that community disclosure significantly improves the firm value of listed oil and gas firms in Nigeria. Therefore, this result implies that positive variations in the firm value of listed companies in Nigeria are accounted for by community-related information disclosed by such firms. More so, the result of Hypothesis Two tested shows that employee relation disclosure insignificantly decreases the firm value of listed oil and gas firms in Nigeria. Therefore, employee relation disclosure does not decrease the value of listed firms in Nigeria. This also supports the view that a good association with employees can result in better productivity, thereby

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reducing lawsuits and related expenses that will ultimately lead to higher profit. Furthermore, the result obtained from hypothesis three shows that customer complaints disclosure significantly improves the firm value of listed oil and gas firms in Nigeria. This implies that positive variations in firms' value of listed companies in Nigeria are also accounted for by customer complaints disclosures. Overall, these findings suggest that responsible business practices toward primary stakeholders can be profitable and beneficial to firms in Nigeria.

1. INTRODUCTION

1.1. Background to the study

The term "social footprint" describes how a business affects the environment and society. Both beneficial and bad impacts may result from this from the standpoint of accounting. A firm may have a good or negative social footprint depending on its investments in sustainable practices and renewable energy. Conversely, a company that engages in polluting activities or labor exploitation may have a negative social footprint.

According to Baker (2020), a company's policies and means of operation around the globe are directly correlated with its social impact. Additionally, the social footprint is a measurement and reporting approach companies can use to track and report on their social sustainability performance, often known as corporate social responsibility, according to the Centre for Sustainable Organizations (2011). The social footprint examines how businesses affect people through their operations, in contrast to the environmental footprint, which focuses on how a firm affects the environment, and the economic footprint, which focuses on performance at the commercial level. The social footprint looks at the way companies affect people by the way and manner they operate. These people may be employees, contractors, subcontractors, partners, residents in the surrounding area, and society as a whole. Social footprint, therefore, is a human rights, and social reform issue. Whether one acknowledges it or not, by being in existence, a company will have a social footprint. The quality of the footprint, however, is determined by the level of awareness of key stakeholders as well as the ethical foundation of the company. Without exception, companies around the world have engaged in various business-related operations and activities to meet the needs of their teeming customers; achieving profit maximization objectives, creating wealth for shareholders as well as competing favorably in their chosen industries. It is also obvious that most of the business operations and activities carried out by companies have led to the deterioration of the environment through the depletion of resources such as air, water, and soil, the destruction of ecosystems, desertification, deforestation, acidification of the oceans, the massive erosion of biodiversity, the depletion of fish stocks, multiple forms of pollution and the extinction of wildlife.

These unwholesome practices and the responses by teeming stakeholders by way of an uprising by host communities, exposure to legal tussles, destruction of operational facilities (for example pipelines and vessels) economic and financial losses etcetera due to operation breakdown directly linked to poor social footprint have made organizations to struggle in their new role of meeting their needs, the needs of the present stakeholders, as well as ensuring that the needs of the future stakeholders are Organizations are being called upon to take responsibility for the way and manner their operations impact societies and the natural environment. They are also being asked to demonstrate the inclusion of social and environmental activities in business operations and interactions with stakeholders, (Van Marrewijkand Verre, 2003).

However, it is worth saying that some companies, having realized the negative effect of their actions, have sought redress by providing social goods and services such as the building of schools, building hospitals, and healthcare centres, provision of water, electrification projects, markets, civic centres, roads, awarding of scholarships to indigent students at various levels of education, environment reclamation, construction of roads and bridges etcetera to the teeming stakeholders affected by companies action. Although some organizations have made frantic efforts to establish a good social footprint, others are still far from embracing the new business normal which can help to promote. the harmonious relationship between companies and their host communities, better brand recognition, positive business reputations, increased sales and customer loyalty, operational cost savings, better financial performance, greater ability to attract talent and retain staff, organisational growth, and easier access to capital, etcetera.

1.2. Statement of the problem

The needs and expectations of organisations' stakeholders (internal and external) have necessitated organizations to be socially responsible thereby prompting them to ensure that their operations and actions impact positively on the stakeholders which may include the host communities, customers and the society at large. Currently, it is gainsaying that while some organizations have made attempts to leave positive and indelible social footprints by reducing carbon footprints, improving labour policies, participating in fair dealings, diversity, equity and inclusion, charitable global giving, community, and virtual volunteering, and corporate policies that benefit the environment, others irrespective of public outcry, are still producing unhealthy products, degrading the environment, using charitable initiative to cover up bad practices, jumping on social justice issues, and caring about profit only. Hence, there is need to harmonize the needs of organizations and that of the stakeholders to help removed unwholesome business practices that have led to health challenges, environmental pollution and degradation, economic losses, and legal consequences, thereby enabling organisations to be socially responsible as well as enabling them to enjoy all the benefits accruable to socially responsible companies. To this end, the purpose of this paper is to assess the accounting perspective of social footprint disclosure on firms' value in Nigeria using seven listed companies in the Oil and Gas sector from 2012 to 2021 to determine any potential influence of social footprint on firms' value in Nigeria. "The phrase social footprint" is used interchangeably with "social sustainability and corporate social responsibility".

1.3. Objectives of the Study

Evaluating the accounting standpoint of social footprint disclosure on the value of Nigerian firms was the major purpose of this study. That being stated, the study's special goal is to include.

1. To examine the effect of community relation disclosure on listed oil and gas firms' value in Nigeria.
2. To investigate the effect of employee relation disclosure on listed oil and gas firms' value in Nigeria.
3. To ascertain the effect of customer complaints disclosure on listed oil and gas firms' value in Nigeria.

1.4. Research questions

The following are the research questions of the study.

1. What is the effect of community relation disclosure on listed oil and gas firms' value in Nigeria?
2. How does employee relation disclosure affect listed oil and gas firms' value in Nigeria?

3. To what extent does customer complaints disclosure affect listed oil and gas firms' value in Nigeria?

1.5. Research hypotheses

H01. Local community relation disclosure has no significant effect on listed oil and gas firms' value in Nigeria.

H02. Employee relation disclosure has no significant effect on listed oil and gas firms' value in Nigeria.

H03. Customer complaints disclosure has no significant effect listed oil and gas firms' value in Nigeria.

1.6. Scope of the study

The study investigated the impact of social footprint disclosure on the value of firms in Nigeria, focusing on seven listed companies in the Oil and Gas sector from 2012 to 2021. The selected companies included MRS Oil Nigeria Limited, Conoil Plc, Oando Nigeria Limited, Ardova Plc, Total Energies Plc, Japaul Plc, and Eterna Plc.

1.7. Significance of the study

This research holds significance from both practical and academic perspectives. It will provide valuable insights for various stakeholders, including organizations' management, in understanding the importance of establishing a social footprint. Additionally, it will enrich the literature on social footprint and its relationship with firms' value, benefiting students, scholars, and academics as a valuable reference.

1.8. Operational definition of terms

After-Tax Profit Margin: The remaining amount after a company has paid off all expenses and taxes.

Corporate Profitability: The extent to which a company's total income exceeds its expenses.

Corporate social responsibility (CSR): A self-regulating business model that promotes social accountability.

Diversity: Involving people from different social and ethnic backgrounds and genders.

Economic Sustainability: Practices that support long-term economic growth without negatively impacting the community.

Environmental Sustainability: The rate of resource harvest, pollution creation, and resource depletion that can be continued indefinitely.

Employee satisfaction: The level of happiness and fulfillment experienced by employees at work.

Equity: The quality of being fair and impartial.

Firm performance: A set of indicators that provide information on the achievement of objectives and results.

Quality of life: The standard of health, comfort, and happiness experienced by individuals or groups.

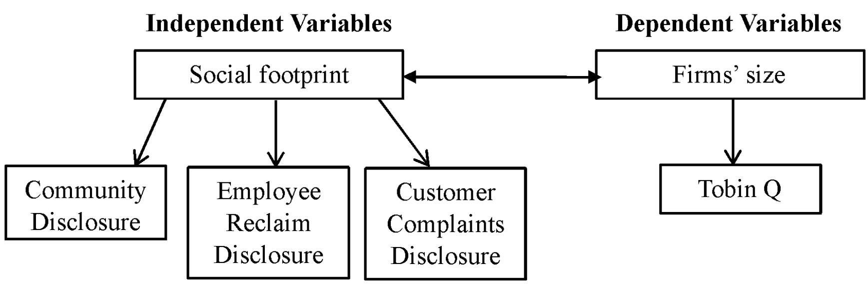
Social cohesion: The strength of relationships and solidarity within a community

Social sustainability: Proactive management of business impacts on employees, customers, and local communities.

Stakeholder: A party with an interest in a company that can affect or be affected by the business, such as investors, employees, customers, and suppliers.

REVIEW OF RELATED LITERATURE

2.1. Conceptual Framework



2.1.1 Concept of Social Footprint

Henriques (2010) states that social footprint, or social sustainability, includes everything that affects the relationship between a company and its stakeholders. "from how much and how reliably suppliers pay, to how the product affects lives, and from the treatment of small farmers to the effect of alcohol on health and communities"

The United Nations Global Compact (n.d) opined that social sustainability should be a critical part of all business activities because it affects the quality of relationships between a company and its stakeholders. It is a proactive way of managing and identifying the business and its impact on employees, value chain workers, customers, and local communities. Companies that increase their social footprint know the value of their relationships with people, communities, and society. Social responsibility becomes part of their core business and they consider how their actions affect people. A socially sustainable company considers the safety of its employees in a certain place. It will not allow the safety of its employees to be compromised by forcing them to work in a building that has been deemed unsafe. However, a bad social footprint risks the quality of both the brand and the products. Outsourcing manufacturing facilities in unsafe or poor working conditions can damage a global company and brand in the event of a disaster or reach the media and consumers. More so, failure to protect public health by removing government-subsidized products from the market can cost food producers billions of Naira. Ensuring safer working conditions, livelihoods and jobs creates a safer supply chain. Social Footprint is creating sustainable and successful places that promote well-being by understanding what people need from their places and work. It combines the design of the physical realm with the design of the social world - the infrastructure that supports social and cultural life, social services, systems of citizen participation, and space for people and places to thrive. This study measures the social footprint through community relations, employee relations, and customer complaint disclosure.

2.1.2. The concept of community relation disclosure

Organisations can only exist in an organized society or where people are independent and the concept of business has a place in their lives, the social organization then allows people to engage in entrepreneurship. Instead, these organizations must participate in society to preserve their environment. Businesses and communities must share mutual benefits. Companies are expected to provide social services such as tap water, good roads, electricity, donations to build orphanages and rehabilitation centers and take care of host communities. Businesses should also provide educational and employment opportunities to indigenous people in host communities.

According to Bitesize (n.d), the local community consists of people who live where the business is located. Although not necessarily customers of the company, they are all neighbors of the company. They are concerned about the impact of the local environment, infrastructure, and business on employment and well-being in the local area. A community can protest against a company if they feel threatened by its behavior, local communities are interested in the company's success because they want it. businesses bring jobs to the area; a good, safe living environment, and good transport and communications.

Nwafor (2021) states that corporate social responsibility (CSR) is becoming increasingly important as a development tool due to the recent increase in the number of interventions by business organizations in their host communities. The core of CSR goals is to improve the overall well-being of target stakeholders and members of host communities by providing sustainable projects such as access to healthcare, improved economic performance, and job creation.

Disclosure of community involvement activities is one of the most important elements of social responsibility when evaluating corporate social responsibility. (Nejati and Ghasemi, 2012) argued that community engagement disclosure examines the various ways in which companies can contribute to the improvement of society by integrating social norms and values in corporate strategy. Community initiatives include philanthropic giving, supporting education, supporting sponsorship of leisure activities, community skills training, fighting bribery and corruption, water management, and supporting medical health services in their business decisions (Branco and Rodrigues, 2006). They are considered mutually beneficial, as companies actively participating in socially responsible activities benefit both business life and society. (David, 2012) added that organizations gain a better reputation while society benefits from the various projects of the business organization. Researchers have found a significant link between social progress and economic activity in this symbiotic relationship. When a company demonstrates a commitment to stakeholder values and beliefs, internal stakeholders, especially employees, show a willingness to initiate, participate, and contribute to social change initiatives because their work has a positive impact on the community (Aguilera *et al.* ., 2007); (Helslin and Roach, 2008). (Joshi and Gao, 2009) and (Lii, 2011) investigated the relative impact of some elements of community participation. Their findings suggest that such activities help organizations build good relationships with stakeholders. As a result, companies create a brand image at a relatively lower cost than can be achieved through advertising and public relation.

2.1.3. The concept of employee relations disclosure

In a globalized environment that produces new employment models and presents new HR challenges, stakeholders pay more and more attention to the working conditions and employee treatment of companies, as well as diversity and equality issues [Mathuva, (2015), Parsa, Roper, Muller-Camen, Szigetvari (2018) and Li, Haque and Chapple (2018)]. According to Johnson (2001), the social footprint of a company is not considered viable if it does not take into account the physical and emotional well-being of employees and integrates the principles of social responsibility into the management of human resources, implementing the policies necessary to develop a quality workforce. and empower employees. ʻwell-being. Sustainable Development 2021, 13, 5342 3/38 Guidelines for socially responsible HRM are defined by the principles, standards, and regulations of international organizations promoting CSR, decent work, and human rights Celma-Benaiges, Martínez-García, Raya (2016) and Diáz- Carrión, López-Fernández, Romero-Fernández (2018). In 1998, the International Labour Organization (ILO) published the Declaration on Fundamental Principles and Rights at Work, which addresses many issues related to workers' rights, inclusion, and social justice. More recently, as part of the Sustainable Development Goals (SDG) set by the United Nations (UN) in 2015 as part of the 2030 Agenda for Sustainable Development, several goals include decent work and the protection of human rights. Thus, companies are expected to take these social goals and replace cost-based HR practices with others that improve the quality of life of employees and promote equal treatment of the workforce regardless of gender or race (Ehnert *et al.*, 2016). As Deegan (2002) noted, "When concerns are limited, disclosure is limited," therefore, the extent and quality of employee-related information signals to stakeholders a company's commitment to the well-being of its employees. In this sense, several international organizations, both public (e.g. the United Nations, the Organization for Economic Cooperation and Development (OECD) and the European Union) and private organizations (e.g. the Global Reporting Initiative (GRI), an international organization), standardization (ISO) and the International Integrated Reporting Council. (IIRC) emphasized the importance of disclosure of information related to HR activities of firms in corporate reports and actively advocated disclosure of information related to employees. Disclosure of financial information has been the subject of several initiatives by the European Commission and organizations in the field of audit, according to Cahaya*et al.*(2015), disclosure related to employees can be viewed from two perspectives. information on intellectual capital and CSR information on work]. In the first perspective, employees are part of the company's human capital, which includes "knowledge, skills and technical abilities, as well as personal characteristics such as aptitude, attitude, energy, intelligence, commitment, learning ability, adaptability, creativity, imagination, collaboration, team participation and focus on the company goals of the employer From this perspective, data should indicate the ability of employees to create value and thus their contribution to the current and future performance of the company.

On the other hand, the purpose of disclosure of information on labour-related corporate social responsibility information is to increase the transparency and responsibility of companies by providing information related to the labour standards and principles of the International Labour Organization (ILO), including information about the work. of the profile staff. conditions, diversity policies such as job security, and training programs. Employee-related information is mostly voluntary and can be communicated to stakeholders in various ways, such as annual reports, sustainability/corporate social responsibility reports, integrated reports, intellectual capital reports, HR reports, corporate websites, etc. (Li, Haque and Chapple, 2015).

2.1.4. The concept of customer complaints disclosure

Patel (2023) defined customer complaints as gaps between what a company promises about products or services and what customers receive. It is the disconnect between how customers see the brand and where they are not getting the customer service experience they want. According to Franklin (2022), customer complaints are negative feedback about a company's product, service, or support experience. Consumers have high expectations of customer service and complaints often arise when these expectations are not met.

Customer complaints are also used to describe a situation where a company does not fulfill its obligations and does not meet the customer's expectations of a product or service. The most important part of any business is its customers. A consumer complaint or customer complaint is an expression of dissatisfaction to a party responsible on behalf of the consumer. (Wisegeek, 2011). It can also be described in a positive sense as a consumer report documenting a problem with a product or service. Consumer complaints are usually informal complaints made directly to a company or public service provider, and most consumers are successful in resolving problems with products and services, but sometimes persistence is required. An instrumental complaint is a complaint filed with a person or organization that can take action and obtain a specific remedy. An expressive complaint is a complaint made to express feelings without any real opportunity to act

For better success, companies need more satisfied customers. The best way to get new customers and keep existing customers is to provide them with satisfactory service. Boshoff and Gray (2004) emphasized that satisfaction is not inherent to the product or service. rather satisfaction consists mainly of how the consumer perceives the attributes of the product or service as they relate to the individual concerned. Thus, different consumers express different satisfaction levels when they encounter the same experience or service. The marketing literature recognizes customer satisfaction as an important part of a company's strategy and a key factor in a company's long-term profitability and market value. Thus, a company's social footprint is expected to have a positive relationship with customer satisfaction

Kumar, Pozz,a and Ganesh (2013) find that although it is clear that the relationship between satisfaction and customer loyalty is not as strong as it is believed, overall satisfaction is related to the policies of the company, its facilities, reputation, or even social footprint. Czepiel and Rosenberg (1977) also found that satisfied customers may be willing to pay a higher price, which would lead to higher cash flow, which in turn increases the market value and profits of firms. There are seven reasons why a social footprint can affect consumer satisfaction. First, a strong social footprint creates a favorable context that positively reinforces positive evaluations and attitudes of consumers towards the company (Bhattacharya and Sen, 2003; Günhar-Canli and Batra, 2004). Second, perceived value is a key antecedent that drives customer satisfaction (Fornell *et al.*, 1996; Mithas *et al.*, 2005), and social footprint can increase the perceived value of firms. Luo and Bhattacharya (2006) argued that all else being equal, customers are likely to receive better value and thus more satisfaction from products produced by a socially responsible company. Third, social footprint shows equity and fairness (Aguilera, Ruppand Williams, 2007) and can increase customer satisfaction through ethical treatment of customers, employee training (Maignan, Ferrell, & Hult, 1999), and product improvement. Fourth, the social footprint appeals to the multidimensionality of the consumer not only as an economic being but also as a member of the family, community, and country (Handelman and Arnold, 1999). Fifth, social footprint affects corporate social responsibility and customer satisfaction (Walsh, Dinnie, & Wiedman, 2006; Wang, Lo, & Hui, 2003).

2.1.5. Corporate Social Responsibility and Firm Value

Several studies have been conducted on CSR and its effect on firms' values; Nelling and Webb (2009) showed a positive association using least squares regression and a neutral association using fixed effects regression. The dependent variables were return on assets and return on common stock, the KLD Socrates database weighted social responsibility score, the log of total sales, the log of total assets, and the log of leverage, which is long-term debt. as control variables. divided by the total balance. According to methodology, the association was tested twice, once using a least-squares regression model and once using a fixed-effects regression model; and a sample of 2,800 companies was used.

Mishra and Suar (2010) showed a positive relationship between CSR and corporate value for each stakeholder when the authors tested the relationship with each employee, customer, investor, community, nature, and supplier separately. The variables used were sales, total CSR, CSR employee, CSR customer, CSR investor, CSR community, CSR environment, CSR supplier, and industry-adjusted ROA and NFP; and the control variables were listed stock markets, ownership type, and firm size. Regression analysis was used for methodology; and a sample of 150 Indian manufacturing companies was selected based on the criteria of having a minimum capital of INR 250 million, at least one hundred employees, and at least five years of manufacturing operations. Of the sample used, 101 companies were listed on the Bombay Stock Exchange and the National Stock Exchange, and the rest were not listed on any stock exchange.

A study by Bayoud, Kavanagh, and Slaughter (2012) found a significant positive relationship between the level of CSR and firm value. Return on equity, return on capital, and return were used as dependent variables. The independent variables were employee, community, consumer, and environmental information. The control variables used were firm size, measured by total assets, firm age, measured in years since founding, and industry type, a binary variable. Regression analysis was used to develop the methodology, and a sample of 40 companies was collected from 135 Libyan companies in various industries.

Arsoy, Arabici, and Çiftcioglu (2012) showed a positive relationship between corporate value and corporate social responsibility. The variables used were return on assets, return on equity, sales revenue, debt, total revenue, balance sheet size, number of employees, equity, and profit. The methodology used principal component analysis, which is a multivariate statistical analysis used for research analysis and model development, and 28 companies listed in the Corporate Governance Index of the Istanbul Stock Exchange were used as a sample. Also, the result of this study showed that a company with a high CSR index value does not mean that the company value is high.

Cheung, Jiang, Mak, and Tan (2013) showed a positive relationship between CSR and firm value. The variables used were the market value ratio, the social performance index of companies compiled according to the third principle of the OECD of good corporate governance, the natural log of the balance sheet at the end of the financial year, the debt-to-equity ratio, and revenues. equity, ratio of outside managers. on the board and a percentage of the largest shareholders own the shares of the company. Regression analysis and a sample of the largest listed companies in the four main indices of the Hong Kong Stock Exchange were used.

The research of Nuryaman (2013) showed that disclosure of CSR activities has a positive effect on firm value. The dependent variables used were return on assets, net profit margin, and stock prices; The independent variables were corporate social responsibility as measured by global reporting initiatives, growth, and company size indicators, the latter two being control variables. Multiple linear regression analysis was used; the sample was 100 industrial manufacturing companies listed on the Indonesia Stock Exchange in 2010.

Munasinghe and Kumara (2013) showed a positive relationship between CSR and firm value. Return on balance sheet, return on equity, debt/equity ratio and CSR Score were used as dependent variables; and the independent variables were community initiatives, workplace initiatives, environmental initiatives, and market initiatives. The methodology used multiple linear regression analysis; and the sample was 14 plantation companies listed on the Colombian Stock Exchange; for 10 years. These were some of the quantitative studies of this relationship that resulted in either a positive or neutral relationship.

2.2. Theoretical Framework

There are several theories that may be used to explain why people wish to have a beneficial effect on society. Among these are the notions of legitimacy and stakeholders.

2.2.1. Stakeholder theory

Edward Freeman's 1984 stakeholder theory served as the foundation for this investigation. It is among the most significant methods in administrative, scientific, and social research. Stakeholders are defined by researchers as "people who can influence or are affected by business activities" or "people who depend on the company to achieve its goals and on whom the existence of the company depends." After the release of Strategic Management, the concept of stakeholder theory started to garner a lot of attention in organizational and management research. The stakeholder approach of Edward Freeman in 1984. Value creation, business, and efficient company management are all covered under the theory. According to stakeholder theory, businesses have a moral duty to take into account and fairly balance the interests of all parties involved (Freeman, 1984). Successful businesses safeguard the interests of many parties, including the public, communities, suppliers, employees, shareholders, and creditors. Because social footprint focuses on an organization's social impact on its business stakeholders, this notion is pertinent to study.

2.3. Empirical Review

Numerous studies have been conducted to investigate the connection between CSR, financial success, and firm value. Numerous research' conclusions are different. While some emphasized the relationship's neutrality, others emphasized its benefits or drawbacks. Kang, Lee, and Huh (2009) investigated how different CSR activities affected the bottom lines of the hotel, casino, restaurant, and airline industries. These research were based on the concept of positive and negative impacts.Their findings demonstrate that the several sectors they examined yielded diverse results.

PER and Tobin's Q values of the hospitality and restaurant industries showed that, although neither form of CSR had any appreciable effect on profitability, it did have no appreciable effect on the firms' value. However, the study found that although bad CSR efforts had no discernible effect, good CSR actions in the airline business had a detrimental impact on profitability. Positive CSR initiatives, on the other hand, had no discernible effect on business value, but negative CSR measures did.The data suggest that there isn't a clear relationship between CSR efforts and the financial profitability of the gaming industry.

Empirical evidence bolsters the positivity effect, demonstrating that in the hotel business, positive corporate social responsibility (CSR) positively affects company value, whereas bad CSR has no discernible influence on the same. The negativity effect is nevertheless supported by research showing that poor corporate social responsibility negatively impacts a company's value while excellent CSR has no appreciable impact. Furthermore, the study's results about the detrimental effects of superior CSR on airlines' return on assets (ROA) may point to a situation in which CSR undermines the goal of maximizing short-term profitability. This conclusion validates Friedman's (1970) warning that the ultimate goal should be to maximize profits from all company resources.

Interestingly, the researcher believes it is critical to mention that the study in question was undertaken and was restricted to the hotel and tourist business. To ascertain if the outcomes would corroborate the conclusions of the aforementioned study conducted by Kang, Lee, and Huh (2009), the researchers believe that a comparable investigation in the oil and gas business in a developing country is required.

According to the current researcher, the study was done in a developing country that is comparable to Nigeria's economy, although it only spanned two years, from 2010 to 2011.Because of this, the researcher makes the assumption that more thorough research over a longer time span—possibly ten years—could yield a variety of findings and sufficient data to enable users of this work to make an informed choice about social footprint and how it affects the value of firms.

A study on the impact of CSR on Nigerian deposit money banks was conducted in 2013 by Richard & Okoye. To get a deeper understanding of the connection between financial performance and corporate social responsibility, the study employs a descriptive survey research technique in conjunction with a focused literature evaluation. The results demonstrate that social responsibility has a significant beneficial influence on the wealth and infrastructure of civilization. The research concluded that a company must both clean whatever pollution it may have generated while conducting business and provide infrastructure for the community in which it operates if it is to promote the growth of that community.

The current investigator believes that Richard and Okoye's (2013) study was restricted to Nigeria's banking industry. Given the CSR expectations of the stakeholders from oil and gas businesses operating in Nigeria over the same time period, the results of a similar research in that industry would differ.

Using fifteen randomly chosen Nigerian manufacturing businesses, Olaroyeke and Nasieku (2015) examined the impact of corporate social responsibility (CSR) on the performance of listed manufacturing companies. This study used descriptive methodologies based on replies from chief auditors, chief accountants, and senior management, which served as main data sources. According to the findings, industrial companies listed on the Nigerian Exchange Group perform better when they implement corporate social responsibility initiatives.

Upon closer inspection, the study conducted by Olaroyeke and Nasieku (2015) reveals that the study populations (sector by sector) were underrepresented, since certain sectors had greater opportunities than others due to the sheer quantity of enterprises in each sector. For example, 30 businesses were utilized in the consumer goods industry, 23 in the industrial products industry, 10 in the health care industry, 6 conglomerates, and 5 in the natural resources industry. In addition, respondents' varying perceptions and feelings regarding delicate topics may have influenced the original data that was collected through a questionnaire.

The performance of certain Nigerian corporations and corporate social responsibility were studied by Osisioma, Nzewi, and Paul (2015). The study's specific objective was to determine if business profitability in the selected firms and social responsibility expenses were significantly correlated. The stakeholder theory of social responsibility, which emphasized how crucial it is for firms to accommodate various interest groups, served as the study's foundation. An exploratory study approach was employed in combination with time series data. The hypothesis was investigated using product moment correlation to see if there were any significant relationships between the corporate profitability and social responsibility cost in the chosen organizations.The results showed a strong correlation between business profitability and social responsibility expenditures. The study came to the conclusion that an organization's social responsibility was a necessary condition for its efficient operation.

Nevertheless, a thorough review of this work by the researcher reveals that the time series data processing approach does not support the missing values and might eventually produce false conclusions. There are a number of causes for missing values in time series data, according to More (2020). When measurements were not taken or recorded at a specific time is one of these reasons. Technical problems, malfunctioning equipment, or even carelessness on the part of humans might cause this. Missing values can also result from a variable being unavailable or nonexistent for a certain amount of time.It occasionally happens that some features of the phenomena under study were not quantified or gathered at that time. Given this, it is advised to use the cross-sectional approach, which has an advantage over time series due to its potential to offer a moment in time snapshot of a specific population or phenomenon. Through the simultaneous examination of several elements, it provides a thorough comprehension of the subject. Patterns, correlations, and potential causal factors that could otherwise go missed in a time series analysis can be uncovered using this comprehensive method.

Additionally, effective data collection and analysis are made possible by cross-sectional research. Cross-sectional research design is highly versatile and efficient, as it minimizes the risk of temporal biases or changes in variables over time, which can affect the accuracy and reliability of findings. Both methods have advantages because data is collected from different sources. Examining linkages and trends within a population may now be done more quickly and affordably with this technique. Even so.

Hafez (2016) used secondary data gathered from Egyptian companies' financial statements, annual reports, and official websites to evaluate the impact of corporate social responsibility (CSR) on firm value and financial performance using 33 companies that were listed in the EGX30 in 2001. As shown by return on equity (ROE) and return on assets (ROA), the study's findings indicate that corporate social responsibility (CSR) greatly improves the financial performance of Egyptian enterprises while having no negative impact on company value.

Onyeka and Nwankwo (2016) evaluated the effect of corporate social responsibility (CSR) on the net profit of Nigerian manufacturing companies and found that CSR had a significant and favorable effect on the income of these enterprises. This research indicates that businesses that contribute to societal well-being see an increase in their profit margins.

From the standpoint of the current researcher, the evaluation conducted by Hafez (2016) may have produced a different outcome if Tobin Q—rather than ROA and ROE—was subject to modifications in accounting procedures. While ROE gauges how well a firm uses the money invested in it by its shareholders to make profits, ROA gauges how well a company uses its assets to generate profits.

Depreciation procedures, inventory valuation, and expenditure recognition are examples of accounting processes that may be changed without affecting the value of assets or shareholders' money, which in turn affects ROA and ROE. But Tobin Q represents a risk-adjusted, forward-looking market estimate of business worth that is less vulnerable to shifts in accounting standards.

Nevertheless, Ohiokha, Odionand, Akhalumeh (2016)'s pool survey study methodology is vulnerable to respondent bias, a low response rate, a narrow scope, and other issues. If these anomalies are not used correctly, they may result in a false conclusion. As a result, a different strategy like the passive data collection method entails gathering data without the respondents' awareness or consent. By doing away with the biases present in conventional surveys, this approach yields information that is more trustworthy and realistic.

The impact that corporate social responsibility (CSR) has on the financial performance of international companies doing business in Nigeria was examined by Akinleye and Faustina (2017).The study's primary focus was on the relationship and effects of corporate social responsibility spending on profit after taxes, as well as the causal relationship between corporate social expenditure and profit after taxes. The financial reports of the five multinational corporations that were selected at random provided the study's data; the reports spanned the years 2010 through 2014. Numerous techniques were used in the research, such as correlation analysis, fixed effect and random effect estimations, Granger causality estimation, pooled OLS estimation, and post-estimation tests including the Hausman and restricted f-tests.

The results indicate a generally negative link between corporate social expenditure and earnings after taxes. The five multinational corporations that were chosen for the research are active in four distinct economic domains, with the exception of the oil and gas sector. Given that Akinleye and Faustina's (2017) investigation focused on five carefully selected oil and gas businesses, the investigator believes that the latter's conclusions may differ from the former.

Madichie, Nwekwo, and Nnadi (2018) looked at the effects of corporate social responsibility (CSR) on the oil and gas businesses that are listed in Nigeria from 2012 to 2016. Data were gathered from the audited financial records of the chosen firms during a five-year period. Moral firms are lucrative, partly due to the efficacy of their programs, according to correlation and regression studies employing Return on Equity, Return on Assets, and Net Profit Margin as financial performance proxies. Following analysis, the study concluded that corporate social responsibility (CSR) significantly and favorably affects the performance of the oil and gas enterprises that are the subject of the examination. Using research from social science,

Four oil businesses were chosen, and for a period of five years, according to the researcher's thorough assessment of this task. As the researcher now examined utilizing seven (7) firms and a period of ten years, it is necessary to analyze the same industry with more companies and more years.

2.4. Research Gap

Diverse conclusions were drawn from studies that looked at the relationship between a firm's worth and its social influence. Some discovered a negative correlation, while others found no correlation at all. Due to these conditions, the researcher was able to investigate the theory that social imprint and

3. METHODOLOGY

3.1. Research Design

Utilizing ex-post facto and analytical research approaches, this study was founded on secondary data from the yearly financial reports of many listed companies on the Nigerian Stock Exchange (NSE). Ex-post facto research was specifically used in this study as the data existed beforehand and were collected after the incident. The spearman rank correlation matrix result, descriptive statistics, regression analysis, and other analytical research approaches were employed to analyze the study's data.

3.2. Population of the Study

Seven (7) listed oil and gas companies on the Nigerian Stock Exchange made up the study's sample. The researcher decided to concentrate on businesses that are listed on the Nigerian stock exchange since it may be challenging to gather information from unlisted organizations.

3.3. Sample Technique and Sample Size

Non-probability sampling was used in this study since the research data were quantitative, secondary, and purposeful. A sample of seven (7) oil and gas companies that were listed on the Nigerian stock exchange between 2012 and 2021 were selected in order to collect panel data for the study. This led to seventy observations.

3.4. Method of Data Analysis

Additionally, descriptive statistics were used to look at the data's mean, maximum, minimum, and standard deviation. We employed correlation analysis to look for any collinearity after assessing the link between the relevant variables. One data-analytic technique used to determine the effect of social footprint disclosure on the market value of Nigerian oil and gas businesses is regression analysis. A five percent criterion for significance was applied to each hypothesis. If the probability value was less than 0.05 ($p<0.05$) and the F-cal was more than the F critical value, the null hypothesis was rejected.

3.5. Model Specification

To be more exact, the researcher modified Nijam's (2018) model to ascertain the relationship between the study's dependent variables and the linear combinations of a number of deciding factors. This is a brief explanation of the econometric model used in the study.

$$TOBQ_{it} = \beta_0 + \beta_1\ COMD_{it} + \beta_2\ EMPD_{it} + \beta_3\ CCCCD_{it} + \beta_4\ FSIZ_{it} + \mu_{it}$$

Where

TOBQ = Tobin Q

COMD = Community Relation Disclosure

EMPD = Employee Relation Disclosure

CCCD = Customer Complaints Disclosure

FSIZ = Firm Size

β_0 = Constant

$\beta_1 - \beta_4$ = Slope Coefficient

μ = Stochastic disturbance

i = i^{th} firm

t = time period

3.6. Variable Measurement

Table 3.1: Operationalization of Variables

S/N	*Variables*	*Measurements*	*Sources*	*Apriori Sign*
Dependent Variable				
1	Tobin Q	Tobin Q in numbers is computed as Market Capitalization + Total Liabilities -Cash flow divided by Total asset	Nijam (2018)	
Independent Variables				
2	Community Disclosure	Community disclosure is measured with "1" for disclosure of community relation and "0" for otherwise	GRI 2021	+
3	Employee Disclosure	Employee disclosure is measured with "1" for disclosure of Employee relation and "0" for otherwise	GR1 2021	+

S/N	*Variables*	*Measurements*	*Sources*	*Apriori Sign*
4	Customer Complaints Disclosure	Customer complaints disclosure is measured with "1" for disclosure of customer complaints and "0" for otherwise	GRI 2021	+
5	Firm Size	Firm size is measured as the natural logarithm of total asset.	Opeyemi, Olusegun, Olukayode, & Olusola (2017)	+

Source: Author's Compilation (2022)

DATA PRESENTATION, ANALYSIS AND DISCUSSION OF RESULTS

4.0. Introduction

The pre-regression analysis is presented in this portion of the study along with tests for data normality and descriptive statistics. Additionally, the correlation analysis presented in this section illustrates the degree of linkage or relationship between the variables. This study used three social footprint proxies: customer complaint disclosure (CCCD), employee relation disclosure (EMPD), and community disclosure (COMD). Tobin Q (TOBQ) is used to assess the dependent variable of company value. Additionally, the firm size variable (FSIZ) is used in the study to adjust the model's goodness of fit. In this part, the multiple regression estimation approach is also covered.

4.1. Data Presentation

The data utilized in this study are included in Appendix B. However, in order to achieve the goals of the study, the researcher first performed a pool Ordinary Least Square (OLS) regression and then searched for deviations from the underlying hypotheses of the OLS regression. In conclusion, this collection contained two diagnostic tests: a heteroscedasticity test and a multicollinearity test. Furthermore, as was previously indicated, the study used a normality test, correlation matrix, and descriptive statistics to conduct an initial pre-regression analysis. The data was examined using the following methodology.

4.1.1. Descriptive Statistics Analysis

For the dependent and relevant explanatory variables in this part, the study examined the descriptive statistics. For every variable, we looked at the highest, lowest, standard deviation, and mean values. Table 1 displays the descriptive information that was used in the inquiry.

Table 1: Descriptive Statistics

Variable	*Obs*	*Mean*	*Std. Dev.*	*Min*	*Max*
Tobq	70	1.031429	.8138089	.5	6.29
Comd	70	.5	.5036102	0	1
Empd	70	.9428571	.2337913	0	1
Cccd	70	.2428571	.4319056	0	1
Fsiz	70	7.227429	.6122178	6.1	8.83

Source: Author (2022)

Table 1 displays the descriptive data used for the inquiry. The dependent variable, firm value, as assessed by Tobin Q (TOBQ), is shown in the table with a mean of 1.03 and a standard deviation of 0.81. This suggests that the research firms had an average market value of around N1.03K. The independent variable, which had a mean of 0.50 and a standard deviation of 0.50, showed that almost half of the oil and gas businesses in the research sample disclosed information about their ties to the community. Additionally, the study found that the employee relation disclosure's (EMPD) mean and standard deviation were, respectively, 0.94 and 0.23.This finding implies that 94% of the selected firms, on average, disclose their employees. The customer complaint disclosure (CCCD) variable analysis yielded two more results: a mean value of 0.24 and a standard deviation of 0.43. These results imply that, on average, 24% of the studied firms disclosed information about customer complaints during the duration of the study project. Ultimately, the mean firm size (FSIZ) of 7.22 was revealed by the control variable result.

4.1.2. Normality Test

The data were NORMAL, in particular, when checking for normalcy, when the probability > 0.05. On the other hand, it signifies that the data were not normal if the probabilities were less than 0.05.

Table 2: Test of Data Normality

Variable	*Obs*	*W*	*V*	*Z*	*Prob > z*
tobq	70	0.49126	31.314	7.490	0.00000
comd	70	0.99903	0.060	-6.134	1.00000
empd	70	0.57808	25.970	7.083	0.00000
cccd	70	0.94662	3.285	2.587	0.00485
fsiz	70	0.96771	1.988	1.494	0.06759

Source: Author (2023)

The Shapiro-Wilk test findings for the dependent variable, firm value, are displayed in Table 2. Based on the Tobin Q measure, the probability is 0.00000 and the z-statistic is 7.490. The dependent variable of firm value is not normally distributed, according to Tobin Q analysis, as the z-statistic's probability, as shown in Table 2, is significant at the 1% level. Furthermore, the Shapiro-Wilk test produced a z-statistic of 7.083 for staff relations, the independent variable, with a likelihood of Z-statistics of 0.00000, and a z-statistic of 2.587 for customer complaints reported, with a chance of 0.00485.

Since the likelihood of the z-statistics, as shown in Table 2, were significant at the 1% and 5% levels, it follows that the independent variables were not normally distributed. But the researcher discovered that the Shapiro-Wilk test gave the independent variable of local community disclosure a z-statistic of -6.134 and a probability of Z-statistics of 1.00000, suggesting that it is normallZ-statistic, as seen in Table 2, has a low probability at the 1% or 5% level, making it y distributed. According to the Shapiro-Wilk test, the control variable, business size, has a z-statistic of 1.494 and a probability of Z-statistics of 0.06759, indicating that it is normally distributed. This is because the likelihood of the z-statistic, as indicated in Table 2, is insignificant at 1% or 5%. Nevertheless, as advised by Gujurat (2004), the researcher carefully assessed the p-value of the regression estimations against the t-statistics.

4.2. Data Analyses

By employing the Spearman Rank correlation, the study first determines if there is a relationship between the independent and dependent variables.

4.2.1. Correlation Analysis

In this study, the Spearman rank correlation is employed. The following is the Spearman correlation result:.

Table 3: Correlation Analysis

	tobq	*comd*	*empd*	*cccd*	*fsiz*
tobq	1.0000				
comd	0.0594	1.0000			
empd	-0.1112	0.1231	1.0000		
cccd	-0.2804	0.4331	0.1394	1.0000	
	0.4930	0.4908	0.2711	0.0627	1.0000

Author's computation (2022)

The company value dependent variable and the local community relation disclosure independent variable had a positive link, according to a Tobin Q analysis of the correlation between the research's independent and dependent variables during the course of the study period (0.0594). Additionally, throughout the research period, Tobin Q measures reveal a positive correlation (0.4930) between the control variable, firm size, and the dependent variable, firm value. The Tobin Q measures for the research period show a negative correlation (-0.1112) between the employee relationship disclosure independent variable and the company value dependent variable. Tobin Q found that the dependent variable of company value and the independent variable of customer complaints disclosure had a negative correlation (-0.2804) during the course of the research period.

Table 4: Regression Results

	ROA Model (Pool OLS)	*ROA Model (Fixed Effect)*	*ROA Model (Random Effect)*
CONS.	-3.980 {0.001}	-10.668 {0.000} ***	-6.704 {0.000} ***
COMD	-0.334 {0.121}	0.264 {0.000} ***	-0.333 {0.094}
EMPD	-0.526 {0.163}	-0.116 {0.726}	-0.253 {0.469}
CCCD	-0.204 {0.364}	0.135 {0.000} ***	0.001 {0.995}
FSIZ	0.792 {0.000} ***	1.648 {0.000} ***	1.126 {0.000}
F-Stat/W-Stat	7.22 {0.0001}	11.18 (0.0000)	31.70 (0.0000)
R- Squared	0.3076	0.4312	0.4043
VIF Test	1.35		
Hettero. Test	68.52 {0.0000}		
Hausman		57.73 {0.0000}	

The table above displays the results of the study's regression analysis. The results showed that the R-squared value of the pool OLS regression was 0.3076. The results indicate that the independent and control variables of the study may be responsible for approximately 31% of the systematic variations in the dependent variable of business value, when proxied using Tobin Q over the research period. Conversely, the part of the firm value that cannot be justified is contained in the error term. The model's F-statistics result (7.22 for the sample companies and a matching p-value of 0.0000) for the pool OLS regression model indicates that it is statistically fit overall at a 1% level of significance, meaning that it may be utilized for statistical conclusions. I.e.This study also looked at multicollinearity and heteroscedasticity to strengthen the validity of the estimations derived from the pool OLS results.

4.2.2.1. Test for Multicollinearity

As with the majority of prior studies, the multicollinearity of the model was ascertained in this work using the variance inflation factor (VIF) approach. The variance inflation factor (VIF) quantifies the extent to which the predicted regression coefficients' variance is inflated when the predictor variables don't have a linear relationship. Green (2009), who sets a threshold of 10, was carefully chosen by the researcher. The VIF test results show an average value of 1.35. Specifically, the finding indicates that none of the independent variables should be eliminated from the models and supports Gujurati's (2004) assertion that multicollinearity does not exist because the mean VIF falls within the benchmark of 10.

4.2.2.2. Test for Heteroscedasticity

Pool OLS presupposes homoscedasticity, which is verified using Stata 14's Breusch Pagan tool. There is a chi2 value of 68.52 and a p-value of 0.0000 for the result. According to the substantial p-values in the result at the 1% level, the assumption of homoscedasticity in the pool OLS regression findings has been broken. Our method revises the model to account for this violation by using twin-panel regression of fixed and random variables (Greene, 2003).

4.2.3. Panel Fixed and Random Effect Regression

In general, the fixed effect regression model is deemed suitable for statistical inference based on Table 4's panel fixed effect findings, which display an F-statistics value of 11.18 and a probability value of 0.0000. The data also revealed that the fixed effect regression's R-squared value was 0.4312. Using Tobin Q as a proxy for the dependent variable of firm value, a proxy analysis reveals that around 43% of the systematic variations in the dependent variable can be explained by the independent and control variables in the study.

Conversely, the unaccounted-for component of the firm value is included in the error term. With a Wald statistics value of 31.70 and a probability value of 0.0000, the panel random effect results show the suitability of the random effect regression model for statistical inference. Furthermore, the findings showed that the random effect regression's R-squared was 0.4043. This implies that the independent and control variables may account for 40% of the systematic fluctuations in the dependent variable of business value throughout the course of the research period. The Hausman Specification test is used in place of fixed and random effect regression when determining whether to use regression analysis for policy advice and interpretation.

4.2.4. Hausman Specification Test

The null hypothesis, according to which the random effect model outperforms the fixed effect model, is the foundation of the Hausman test. The Hausman test's p-value of {57.73 [0.0000]} plotted indicates significance at the 1% level. This suggests that the fixed effect panel regression findings should serve as the foundation for the study's conclusions and suggestions. It also suggests that, statistically speaking, the outcomes of the fixed effect are frequently more visually pleasing than those of the random effect. Given the foregoing, it became essential to talk about the fixed effect analysis findings in order to evaluate the theories.

4.3. Test Hypotheses

The investigators investigated their hypothesis in this study using the fixed effect regression results displayed in Table 4.

Hypothesis 1: Local community relation disclosure has no significant effect on firms' value in Nigeria.

The results show that transparent local communities raise the value of Nigerian listed oil and gas businesses by a significant margin. Thus, it is possible to conclude that local community disclosure has little to no effect on the firm value of Nigerian listed oil and gas firms. Nigerian listed oil and gas firms are worth more because of the transparency of the local community. Our findings are consistent with research conducted by Ejele *et al.* (2021) about the impact of community development disclosures on the turnover of non-financial services firms in Nigeria. The results of the study indicate that community disclosures have a significant impact on corporate profitability.

Hypothesis 2: Employee relation disclosure has no significant effect on firms' value in Nigeria.

The fixeis findings are not considerably compromised by the revelation of employee relationships. Instead, it was shown to have a statistically significant negative effect on the value of listed oil and gas enterprises in Nigeria over the investigation (coef. = -0.116 (0.726)).Thus, it is decided to accept the null hypothesis, which claims that the impact regression model is not substantially impacted by the revelation of employee links. The listed oil and gas firms in Nigeria do, however, have a consistent valuation.

The discovery of employee links caused a significant decline in the value of Nigerian listed oil and gas companies throughout the research period. Thus, the current analysis confirms the findings of Sani and Oyedokun's (2020) study, which examined the impact of human resource accounting on the financial performance of specific Nigerian enterprises between 2015 and 2019. The results of their analysis showed that the profitability of Nigerian enterprises is significantly and negatively impacted by the openness of human resources.

Hypothesis 3: Customer complaints disclosure has no significant effect on firms' value in Nigeria.

Customer complaints found during the research period had a considerable beneficial influence on the value of listed oil and gas firms in Nigeria, as evidenced by the findings of the fixed effect regression model (coef. = 0.135 (0.000)). The results show that when customer issues are disclosed to the public, the firm values of Nigerian listed oil and gas businesses rise significantly. The revelation of customer complaints does not significantly affect the firm value of Nigerian listed oil and gas firms, contrary to the null hypothesis that is later disproved. As a result, while they are being investigated, the publicly listed oil and gas businesses in Nigeria are now significantly more valuable due to the publication of customer complaints.

This result validates studies by Saheed and Oladele (2019) that looked at the relationship between earnings per share of a corporation and customer complaints disclosed. The results of their analysis showed a significant positive association between the companies' EPS and the disclosure of client concerns.

4.4. Discussion of Findings

The findings demonstrate that local community disclosure considerably raises the listed oil and gas companies' company value in Nigeria. This suggests that the chosen firms' corporate performance will improve with increased community disclosures. Nowadays, businesses are supposed to behave morally and in a way that is advantageous to all parties involved in the local community. Companies are held to a higher standard and must take into account all stakeholders in their day-to-day operations, while consumers have access to a wealth of information. This discovery runs counter to the findings of Barnes *et al.* (2007), who investigated the connection between corporate performance and community relations and came to the conclusion that a company's social imprint in the community had a favorable effect on performance.These growing demands draw attention to the value of neighborhood relations initiatives and point to a beneficial working connection between public relations and the dissemination of evidence of successful outcomes through enhanced performance. Furthermore, this result runs counter to Zalloum's (2016) results, which showed that product and community activities lowered business performance.

The findings indicate that employee relationship disclosure has no discernible impact on the market value of listed oil and gas companies in Nigeria. As a result, the value of listed oil and gas companies in Nigeria was not considerably lowered throughout the examination due to employee link disclosure. Micah, Ofurum, and Ihendinihu (2012) assert that a positive relationship exists between business success and worker health and safety. Stronger bonds with employees may result in more output, lower litigation expenses, and eventually higher profits. Moreover, this outcome runs counter to the conclusions drawn by Day and Woodward (2004) and Adams and Harte (1998), who pointed out that worker participation in health and safety might diminish the organization's worth.

The results show that the posting of customer complaints significantly raises the firm value of listed oil and gas businesses in Nigeria. As a result, throughout the investigation time, the publication of consumer complaints significantly enhanced the value of Nigeria's listed oil and gas businesses. This finding supports previous research that shows how companies control market value through consumer behavior, particularly in relation to customer satisfaction. The findings are consistent with studies by Lee and Heo (2009), which showed that social footprint activities have a positive influence on corporate value and enhance customer satisfaction.

However, the authors also note that some social footprint initiatives could not raise the standard or security of the products and/or services that companies offer, which could reduce client satisfaction. The study's findings, in particular, contradict the signaling hypothesis, which holds that customers look for signals that distinguish between companies that perform well and those that perform badly on pertinent criteria when buyers and sellers have uneven access to information.

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1. Summary of Findings

Undertaking research on the Nigerian Exchange Group floor, the study looked at the social effect and commercial worth of listed oil and gas enterprises from 2012 to 2021. The three social footprint proxies used in this analysis were employee relationship disclosure (EMPD), local community disclosure (COMD), and customer complaint disclosure (CCCD). Tobin Q (TOBQ) was used to measure the Firms' value, the dependent variable. Firm size (FSIZ) is another tool used in the study to regulate the model's goodness of fit. Specifically, a correlation matrix, residual normality analysis, and descriptive statistics were used in this paper's pre-regression study.

Standard Least Squares First, in order to determine whether the regression analysis went against the fundamentals and the Gauss Markov Theorem, diagnostic tests were carried out.Three tests for homoscedasticity, multicollinearity, and fixed and random effects were included in these post-regression studies. After a careful analysis of the whole diagnostic test, it was determined that the model did not satisfy the OLS estimates' normality assumption. Nonetheless, the p-value of the regression estimates was carefully assessed by the researcher. The following is a detailed description of the study's findings:

- The valuation of listed oil and gas businesses in Nigeria benefited significantly from local community disclosure over the research period (coef. = 0.264 (0.000)).
- The value of listed oil and gas businesses in Nigeria was considerably reduced over the research period by employee connection disclosure (coef. = -0.116 (0.726)).

For the time under investigation, the value of listed oil and gas enterprises in Nigeria was significantly positively impacted by the revelation of customer complaints [coef. = 0.135 (0.000)].

5.2. Conclusion

Simultaneous with the rise in emphasis on corporate social responsibility has been sustainable economic growth. The majority of earlier research has shown a positive or negative linear association between a firm's social footprint and its values. Some contend that enhancing a company's social media presence builds its brand and draws in more customers, both of which boost operational performance. This point of view illustrates how a company's social impact adds value to it. Nonetheless, several study findings about the impact of social footprints on the value of Nigerian enterprises were found to be inconsistent.

In particular, the researcher comes to the conclusion that transparency about local communities and consumer complaints greatly increase the value of listed oil and gas businesses in Nigeria. Nevertheless, the study also discovers that the value of Nigerian listed oil and gas businesses is considerably lowered by employee relationship disclosure.

5.3. Recommendations

This study's conclusions led to the following recommendations being made:

1. It is necessary to build a true relationship with the community. If this is done, the community will see the engaged oil and gas companies as having a distinct brand, giving them an advantage over their rivals. Tax deductions are another way that maintaining community ties as a social footprint strategy will pay off.
2. In order to establish themselves as respectable corporate citizens, oil and gas companies must make significant voluntary efforts to address matters that touch on employee relations.
3. Managers of listed oil and gas companies should also create rules that support moral advertising, customer safety and health when using goods, and company-wide quality initiatives to offer better products at competitive costs, hence boosting corporate value.

5.4. Contribution to Knowledge

This study has provided evidence on the accounting perspective of the social footprint disclosure on firms' value in Nigeria, and the findings thereon contributes to the field of study and provide evidence to help regulators enforce discipline on the social footprint.

5.5. Suggestions for Further Studies

As this study was done using index scores, which provide flexibility to a researcher, the limitation that emanates from non-disclosure of social footprint items in published financial reports may be sourced from the company's website. This will enhance the outcome when evaluating the corporate social footprint dimension.

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