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Corporate Philanthropy as Firms' Survival Strategic Behaviour in South-South Nigeria

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Abstract
The environment of the business enterprise has become increasingly turbulent and less predictable. This is amidst the element of violence, particularly in the Niger Delta, South-South Nigeria. The paper identify the survival strategic behavior of the firm in the context of the volatile environment created by political dynamics and government inability to provide the basic social amenities necessary for existence. The proximity of most of firms to host communities has almost put such firms at the frontline of host community demands and violence. Thus, corporate strategic philanthropy has become firms' survival strategy, as the firms become *de facto* government.
Keywords: Corporate Philanthropy, Strategic Philanthropy, Corporate Social Responsibility, Firm's Survival Behaviour, Quasi-Philanthropy, Bottom-Line Mentality, Strategic Altruism.

Introduction
The long-run survival of the firm is in most cases one of the crucial business objectives pursued by the firms. This long run survival ensures that the going concern concept of the firm is at least upheld (Kazmi, 2006). In most cases the objective of profitability and shareholder's interests may be in short—run sacrifice on the altar of long-term survival. The reason appears to be that in the long-run, all other objectives (both short and long term) may be achieved, and continuously so. However, the state of the business environment, particularly turbulence and perturbation appears to directly threaten the survival objective (Hamilton & Oboreh, 2006; Chikwe, 2013; Eketu & Needorn, 2014). It then becomes a serious concern for the firm to behave in a way that threats to survival is eliminated, if not reduced.

Hinging their thought on corporate social responsibility, Eketu and Needorn (2015) argued that the response pattern of the firm may impact on its survival in a hostile environment. They identified: resistant, reactive, and proactive response patters and recommend that proactive response is most suitable as a survival behavior of firms. Thus, considering the volatile nature of the business environment in South-South Nigeria, it is unarguable to contend that management attention has been largely divided, as more time and resources are spent to manage the crisis of survival of the firm. Jaja (2004) sees the persistence of the threat as arising from a faulty trajectory of peace and security. In Jaja's view, a tripartite arrangement involving government, oil companies, and host community Chiefs are responsible for threat to peace and security in the Niger Delta.

However, the dominant view is that hostilities of host communities against the firms are a metaphor of failure of government in the responsibility to make life meaningful for its citizens (Branco, 2007; Jaja, 2004; Jones, 2011). In the context of lack of basic life necessities, aggression is transferred to the proximal institutions, which incidentally are the firms (Jaja, 2004; Achinulo, 2017 and Udeh, 2008). The firms are seen as the *defacto* government to receive the burnt. It is also viewed that hostilities of host communities against firms operating in the localities is predicated on the exploration and exploitation of resources and threat to the ecological values of the areas (Ottih, 2003; and Michael, 2004). In such circumstances, the firms can only continue operations by other means. This paper views this as firms' survival behavior. It identifies corporate philanthropy as a subtle but effective survival behavior found in corporate social responsibility.

Corporate Social Responsibility
Discourse on corporate social responsibility has occupied a significant portion of the business space in recent time. The growth of this consciousness particularly in developing countries is attributed to the obvious irresponsiveness of government to provide basic necessaries to citizens (Eketu and Needorn, 2015; Jaja, 2004; Tambari & Imoh, 2016; Emmanuel, Olayiwola and Babatunde, 2009).

But more than that, the concept of corporate social responsibility from a universal perspective, and its practice in the developed world tend to present a more robust understanding. For instance, Post Lawrence & Weber (1999) define the concept as "the accountability of the firm "for any of its actions that affect people, their communities, and their environment". Paluszek (1976) tends in the same conceptual view that, corporate social responsibility is seriously considering the impact of the company's action on society. Steinner & Steinner (2006) defines corporate social responsibility as "the duty of a corporation to create wealth in a way that avoid harm to, protect, or enhance societal assets". Yet, Davis (1967) sees the concept as, requiring firms to consider their acts in terms of a whole social system, and been held responsible for the effects of their acts.

The conceptualizations above although help to structure the foundation of thought, they appear restrictive and meaningful to be evoked only when and where the operations of the firm hampers the existence of man in anyway. Modification and concept broadening has enlarged the conceptual bracket to include philanthropy, community obligation and paternalism, that have reflected in the practice of corporate social responsibility (Mckie, 1974 and Carroll & Buchholtz, 2006).

Carroll & Buchholtz (2006) specifically identify evolving view points as: being responsible for the firm's negative impact on society; obligation to protect and improve societal welfare; responsibility beyond economic and legal limitations; maintenance of normative standard (Davis & Blomstrom, 1986; McGuire, 1963; and Epstein, 1787). Drawing from the above therefore, a four-part conceptualization of corporate social responsibility includes; economic, legal, ethical and philanthropic responsibilities, which form the pyramid of corporate social responsibilities.

Similarly, Post, Lawrence & Weber (1999) from a retrospective perspective on the development of corporate social responsibility contended on the charity and the stewardship principles. The charity principles is based on the expectation that business should give voluntary aid to the society's needy persons and groups, while the stewardship principles presupposes that business acting as a public trustee should consider the interest of all who are affected by business decisions and policies. It can thus be deduced in summary that corporate social responsibility is the economic, legal, ethical and philanthropic obligations of business to its stakeholders. This therefore, portends a strict adherence of corporate social responsibility to the stakeholder's thesis, which states that the effectiveness of the firm is only properly understood through its stakeholder's expectations. This further expresses the reasons for the debates on corporate governance.

Corporate Philanthropy

This is a construct used to describe the most advanced stage of corporate social responsibility of business. It depicts the firm as a good corporate citizen, whereby, it contributes resources to the community to improve quality of life (Carroll & Buchholtz, 2006) on pure philanthropic bases. Thus, corporate philanthropy evokes voluntary disposition rather than legal or contractual obligation to show concern. Behaviourally, the voluntary disposition arose from a positive attitude to society or specifically to the host community environment.

Etymologically, the English "Philanthropy" is a composite derivative of the Greek "*philien*" (to love) and "*anthropos*" (mankind). Corporate philanthropy therefore, is the demonstration of love of mankind by business, in the show of help to humanity, to improve the quality of life.

Carroll & Buchholtz (2006) argue that, "it was in the 1920s that the most significant effect on corporate philanthropy was made". This appears to be draw from Heald's (1970) view that corporate philanthropy developed in an effort to translate the new social consciousness of management into action". However, literally, the motive of giving is characterized as charitable, benevolent, or generous, Carroll & Buchholtz (2006) observe that, "it is difficult to assess the true motives behind business philanthropy".

On the motive of giving, John D. Rockefeller strongly contended that businesses give to support the "third sector" – the non-profit sector.

He argue that the first two sectors are business and government, who are enable by profits and taxes, respectively. The third sector depends on philanthropy to uphold their independence (Rockefeller, 1978). To further the argument on reason for corporate philanthropy, Sternberg (1984) identify five categories of donors as: "non-donor" what is in it for us-donor; the company president believes in art support donor, we are a good citizen-donor, and we care-donor. The categories clearly show the reason for which firms may demonstrate philanthropic behavior. However, it may be necessary to further classify donor as true philanthropists and quasi-philanthropists. Sternberg's (1984) good citizens-donor and we care-donor are true philanthropists considering their charitable benevolent or generous attitude or intent. However, the rest qualify for quasi-philanthropist, because the real selfish intention is merely coated in philanthropist. Nonetheless, Steiner and Steiner (2006) contend that charitable giving is not a standard measure of corporate social responsibility. Their contention is that, "the basic motives for corporate giving are response to pressure, being that it will bring monetary profit, desire for reputational gains, and altruism, or selfless concern for the welfare of others (Steiner & Steiner, 2006).

Strategic Philanthropy

Because the key sustenance of business in the long or short runs is profitability, it is strategic that every business action is estimated on its long-run profitability impact. This strongly underlies the bottom line mentality as of the economic orientation of businesses. It is in the context of this, that strategic philanthropy is viewed by Steiner and Steiner (2006) as a philosophy of corporate giving in which charitable activities reinforce strategic business goals. Similarly, Carroll & Buchholtz (2006) contend that strategic philanthropy is an approached by which corporate giving and other philanthropic endeavours of a firm are designed in a way that best fits with the firms overall mission, goals or objectives. In a sense, it is about having the mission, vision, purpose and objectives of the firm in focus in every endeavours of the company, including its act of philanthropy.

The philosophy of strategic philanthropy emerged from the flawed approach of diffuse giving to myriad worthy causes, and acceptance of more encompassing charities that will ultimately enhance the company's effectiveness and also better the welfare of the needy. The philosophy of strategic philanthropy is intended to create an alignment of a corporation's business mission with its charitable mission. The dualism inherent in strategic philanthropy has evoked attention of critics, who described it as a departure from pure altruism. Barber (2001) specifically calls it self-serving, self-interested and just business by other means.

Post, Lawrence and Weber (1999) view strategic philanthropy as a social responsive management. It is their contention that before strategic philanthropy can form a social strategy, a corporation must skillfully analyze various influences and forces and then weigh the information collected. This involves among other things, the analysis of the macro-environment of business, on such issues as the economic, political, technological, and social segments. Post, Lawrence and Weber (1994) further argued that a socially responsive strategy requires a socially responsive structure. This view tends to be anchored on the Chadler's (1962) thesis, that strategy begets structure, for implementation to be effective. The social strategy in itself bears a collaborative, problem-solving actions, while the structure bears the breadth (number of staff units involved), depth (intensity of the organizational learning process), and influence and integration (dimensions of the social responsive organizational structure). The framework to permit this involves the policy stage, the learning stage, and the organizational commitment stage.

Strategic Philanthropy in Nigeria

The form of strategic philanthropy in Nigeria cannot be said to be based on altruistic behavior. In a study by Eketu & Needorn (2015) on the response pattern of firms to social needs of communities. It was found that firms adopt more of resistant and reactive patterns than proactive response. In most cases, firms demonstrate philanthropic behavior after a violent confrontation by host communities in demand for social infrastructure, yet in some fits, social philanthropism is a mere remediation as reaction to adverse environmental change done by the operations of the firm.

The situation in Nigeria produces a more difficult scenario to understand. Thus, it appears to be so because of unwholesome ethical practices amongst the stakeholders in corporate social responsibility. For instance, Jaja (2004) accounts that the government, oil producing firms, and chiefs of oil bearing host communities all conspire in shabby deals to settle individual greed at the expense of the benefitting communities. This fraud involving the tripartite interests is blamed for the slow pace of the visibility of enhancement of society by oil companies.

The oil bearing south-south Nigeria, where the delta is based, social responsibility expectations are on the rich oil multinationals and indigenous oil servicing firms. Most of the oil multinational firms have been accused of instigating serious communal crises, to divide and rule. The presence of these oil rich firms is felt only by their installations, aircrafts, and trucks. Other than that, there is gross neglect (Jaja, 2004; Eketu & Needorn, 2015; and Michael, 2004). However, the government and community Chiefs and elites are often accused of diverting the firm's social responsibility philanthropy to their personal gains.

Over the last two decades, reactions of host communities have taken the form of arms struggle with the emergence of multiple militant groups (Emmanuel, Olayiwola, Babatunde, 2009; Michael, 2004; Udeh, 2008; and Jack-Akhigbe, 2013). This has made strategic philanthropy even more complex. The survival of the firm under this circumstance means that the firm will be more strategic philanthropically responsible to cope with militants' demands, community demands, and government demands. Because of the complex state and nature of stakeholders' demands on corporate entities, a pattern appears to have emerged, on what can be described as negative corporate responsibility. In the quest for a strategy to survive amidst the complex and multiple demands, the companies conspire with most of the stakes to champion courses that are selfish in nature to individuals. The stronger in such cases survive at the detriment of the weak majority (Jaja, 2004 and Michael, 2004).

In such circumstances, negative corporate social responsibility in terms of what is given out that may serve the interest of the few and sometimes detrimental to many in the society becomes a strategic philanthropical fit for survival in a hostile environment. Thus, ironically, corporate enterprises still give gifts of cash to community youth leaders or sometimes contracts, which fetch them huge money to purchase guns and ammunitions to prosecute militant activities against the same donors or giver companies.

Conclusion and Implications

Multinational operations in the South-South Nigeria, particularly the Niger Delta have raised the fear that vulnerable interest, the environment and society may be adversely affected. Conversely, the fear and real effect of the operations of these firms have reciprocally threatened the survival of firms. The unabated irony is that there is a counter predatory – prey effect or relationships between the firms and the host communities. At one point, the community interest is at stake by operations of oil firms, at another the firm's interest is threatened by the community through hostilities.

However, as a survival and therefore a response pattern, firms engage in philanthropic behavior in demonstrating social responsibility consciousness to society, particularly to interests in immediate host communities. This corporate philanthropic behavior is not regarded as culture bound because it is not an enduring pattern of firms life, but rather spontaneously strategic to contain real or perceivable threats. Also, strategic philanthropy is not done to society in its generic form, but rather to specific crucial interests in the society. Thus, beneficiaries may be opinion leaders or key elements that pivot or influence communal decisions, including militant groups..

Thus, firms are found to demonstrate some kinds of corporate philanthropy to traditional rulers; youth leaders, militant groups, women leaders, government representatives, leaders of government agencies and even heads of security units operating in such areas. Such items of philanthropism may be cash, cars, holiday trips, cows, building and decoration of palaces, youth association secretariats, etc. These demonstrations of philanthropy are directed to individuals most often, they tend to be effective in the very short-run. In the long-run, social dynamics tend to aggravate the need and therefore the pressure from element of the hosts. Where the satisfaction is delayed, demand pressure is mounted, and the attendant frustration degenerate to aggressive tendencies, all directed against the companies operating in the region.

Considering these dynamics, it is clear that corporate philanthropy is an effective strategy for firm's survival because it enhances social integration of the firm with society, and builds good public image arising from goodwill that it portends. However, the survival, good image and goodwill will be more effective, where it is combined with traditional social responsibility practices of providing public good with broad or general social benefits. Thus, besides target philanthropy on key stakes, firms should also provide social infrastructure that will support the existence of the vast majority in society. This will make the firms less vulnerable to aggression that emanate from frustration. In all, the paper contends that corporate strategic philanthropy is effective in the short run and benefits a smaller target in society. It should be combined with traditional social responsiveness to benefits a wider range interests in society, for long run impact. This paper holds the view that corporate philanthropy is strategic altruism of the firm because it's primarily bothering on it survival through corporate kindness.

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