ABRAHAM ADESANYA POLYTECHNIC

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JOURNAL POLICY

Abraham Adesanya Polytechnic Journal of Management and Social Sciences is a high-quality blind peer reviewed research journal that is published by the School of Management and Business Studies, Abraham Adesanya Polytechnic, ljebu lgbo, Ogun State, Nigeria. This Journal provides a platform for researchers, academics, professional, practitioners and students to impart and share knowledge in the form of high quality empirical and theoretical research paper, case studies, literature reviews and book reviews. The ultimate aim of the journal is to encourage researchers to continually expand the frontiers of knowledge.

EDITORIAL COMMENT

It is with great pleasure and enthusiasm that I congratulate the editorial members of the fourth edition of the Journal of Management and Social Sciences of this great institution. Indeed, I would like to extend my profound gratitude to the entire team and various contributors for their meticulousness in producing these rich, inspiring and educative articles.

This edition expressed the views of the researchers in the areas of Accounting, Business Administration, Finance, Mass Communication, Political Science etc in line with the editorial policy.

Scholars, Researchers, Policy Makers, Students and other relevant stakeholders are therefore enjoined to share their thoughts as more progress can be achieved through continued dialogue in advancing the frontiers of knowledge and scholarship

Thank you and Happy Reading

Atere. A
Dean, SMBS & Editor-in-Chief
September, 2024.

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Impact of Social Media Platforms' Use on Library Services Performance in Selected Secondary Schools in Ogun State.

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Abstract

Despite the universal adoption of social media for the performance of various services, particularly in the education sector, the use of social media for library services performance in Ogun State seems to be low. This study sets out to investigate the use of social media platforms as an indicator of library services performance in selected secondary schools in Ijebu North Local Government Area, Ogun State, Nigeria. The study is anchored on the uses and gratifications theory (UGT) and the information literacy theory. The study employed descriptive survey research design, targeting SSS1 to SSS3 students from Molusi College (Senior), Obanta Comprehensive High School (Senior) and Methodist High School (Senior). A sample of 300 respondents was selected through the use of stratified random sampling technique. Data were collected through a structured questionnaire and analysed using descriptive statistics. The findings revealed that social media is widely used to promote library services. However, challenges such as poor internet connectivity and limited digital tools hinder its effectiveness. Students were aware of library services through social media promotions; but better engagement could be achieved with more interactive content. The study concluded that enhancing digital infrastructure, providing training, and fostering collaboration between librarians and educators would improve social media's role in promoting library services. The study recommended that schools invest in digital tools, offer training, and adopt engaging content to maximise social media's potential.

Keyword: Social media, library services, digital literacy, student engagement, information, promotion

Introduction

The rapid rise of social media platforms has transformed how individuals communicate, access information and share knowledge globally. In recent years, social media has become a fundamental tool for disseminating information across various sectors, including education. For secondary schools in Ogun State, Nigeria, the use of social media has opened new opportunities for enhancing educational resources and promoting library services (Adebayo & Olagunju, 2023). The shift towards digital platforms has encouraged schools and libraries to rethink how they reach students by providing an avenue for promoting information literacy and accessibility to learning materials. The promotion of library services in secondary schools is critical as it plays a central role in supporting students' academic success by offering resources for learning and research.

The integration of social media platforms into school library services has become increasingly significant in facilitating communication between students and educators, allowing library staff to promote resources, share updates and engage with students in a more interactive manner. Recent studies highlight how social media platforms like WhatsApp, Facebook and Instagram serve as effective tools in creating awareness and improving student engagement with library services (Salami, Bakare, Adeola & Adeniji, 2023). These platforms allow for the promotion of services such as e-resources, library catalogues, information literacy and new book arrivals, all of which contribute to enhancing students' academic experiences (Adediran, Nwoko, Ajiboye & Abioye, 2024).

Past research underscores the importance of using technology in educational settings, especially as the demand for digital literacy grows among students (Ajayi & Ogunmola, 2023). Although library services have traditionally been promoted through physical means such as posters, newsletters, and library orientations, the advent of social media has made it easier to reach a larger audience, including those who may not be frequent library users. The accessibility of social media platforms enables library staff to provide timely information about available services, upcoming events and library policies (Oladele, Akintunde, Eniola & Oyedepo, 2023).

Moreover, Nigerian researchers have examined the effectiveness of social media in educational contexts, with a particular focus on promoting library services in secondary schools. Adebayo, Adekunle, Akinrinmade and Afolabi (2024) argue that social media platforms not only foster better communication between students and the library but also create an environment where students feel more encouraged to explore and use library resources. They noted that students are more likely to engage with library content when it is delivered through a medium they are familiar with, such as social media.

This research aligns with international studies on the subject, which suggest that social media platforms can be pivotal in increasing student engagement with educational content. For instance, studies by Nguyen, Peters and Wang (2023) reveal that the use of social media in school settings has significantly boosted student participation in library programmes in developed countries. The success of social media in improving communication, sharing knowledge, and promoting learning resources is a global phenomenon, highlighting the potential for similar outcomes in Nigerian secondary schools. However, the cultural and technological differences between developed and developing countries may influence how these platforms are used in educational settings (Williams, Johnson & Clark, 2023).

In Nigeria, the increasing availability of smartphones and affordable data plans has made social media more accessible to secondary school students. This is significant for promoting library services, as more students can access library updates and resources remotely, regardless of their physical location. Recent research shows that this trend has had a positive impact on students' use of library resources, which, in turn, enhances their academic performance (Ogunlana, Onigbinde & Adebayo, 2024). Additionally, libraries are now able to incorporate multimedia elements such as videos and podcasts to engage students in more dynamic and interactive ways.

Despite the numerous benefits of using social media to promote library services, some challenges remain. These include issues related to digital literacy among students and staff, data privacy concerns and the need for consistent internet access. Nevertheless, the advantages often outweigh the drawbacks, as evidenced by the growing number of schools adopting social media strategies to boost library use (Ibrahim, Folarin & Ogundipe, 2023). Research suggests that with the appropriate training and support, both students and librarians can effectively use social media to enhance the visibility and accessibility of library services.

Statement of the Problem

Despite the widespread adoption of social media platforms in various educational settings, the promotion of library services in secondary schools within Ogun State remains under-utilized. While many schools have adopted digital learning tools, there is a noticeable gap in how effectively library services are promoted to students through these platforms. Social media offers significant potential to engage students with library resources in more dynamic ways, yet many schools struggle to leverage these tools to their full capacity. This study aims to address this under-utilization by exploring the reasons behind the inadequate promotion of library services via social media in Ogun State secondary schools. Observations show that although students are frequent users of platforms like WhatsApp and Instagram for social interactions, these platforms are seldom used by school libraries to disseminate information about available resources, events or reading programmes. This lack of integration limits students' awareness and engagement with valuable educational materials.

Previous studies (Adeyemi, Okoye, & Adesanya, 2024); Dada & Kazeem, 2023; Ogunyemi, & Alabi, 2024) have explored the role of social media in education but have largely focused on its use for teaching and learning, leaving a gap in research regarding its application in promoting library services. For example, many studies emphasise the general benefits of social media for communication and collaboration in schools but fail to investigate specific strategies that could increase students' interaction with library resources. Additionally, most research focuses on higher education institutions, neglecting secondary school settings, where social media use is highly prevalent but not systematically aligned with academic support services. This study seeks to fill these gaps by identifying specific barriers preventing effective use of social media for library promotion and proposing practical solutions to enhance student engagement with library services through digital platforms.

Research Objectives

The primary aim of this study was to explore the use of social media platforms as an indicator for library services performance in secondary schools in Ogun State. Specific objectives are:

1. To examine the current level of social media usage for promoting library services in secondary schools in Ogun State.
2. To identify the challenges hindering the effective use of social media for library promotion in these schools.
3. To assess students' awareness and engagement with library services through social media platforms.
4. To propose strategies for improving the promotion of library services via social media in secondary schools.

Research Questions

The following research questions have been formulated based on the research objectives:

1. What is the current level of social media usage for promoting library services in secondary schools in Ogun State?
2. What challenges hinder the effective use of social media for promoting library services in these schools?
3. How aware are students of library services promoted through social media platforms?

4. What strategies can be implemented to improve the promotion of library services via social media in secondary schools?

Conceptual Clarifications

Social Media and Educational Engagement

Social media has become an indispensable tool for communication and knowledge sharing in the digital age. Platforms such as WhatsApp, Facebook, and Instagram are not only used for social interactions but also serve as important mediums for educational engagement. Research has shown that these platforms have the potential to improve communication between students and educators, enhance collaboration, and foster greater access to educational resources (Adebayo, Oguntola, Oluwaseun & Ajayi, 2023). In secondary schools, particularly in developing countries like Nigeria, the use of social media in education is gradually gaining traction. Nigerian scholars have highlighted that students' familiarity with these platforms allows for seamless dissemination of information and engagement in academic activities (Okoye, Adebisi, Ibidapo & Olaniyi, 2024). However, the full potential of social media for promoting library services in schools remains underexplored, suggesting a need for further research in this area.

Library Services in Secondary Schools

Library services play a crucial role in supporting students' academic success by providing access to a wide range of learning resources. In the context of secondary schools in Ogun State, libraries have traditionally been under-utilized due to a lack of awareness and engagement among students (Ogunfowokan, Adedeji, Olumide & Akinyemi, 2023). Studies indicate that despite the growing availability of digital resources, many students are unaware of the benefits that school libraries offer, such as access to e-books, academic journals, and other informational materials. International research echoes similar concerns, emphasizing the need for more proactive strategies to promote library services, especially through digital means (Wright, Johnson & Miller, 2024). This study seeks to bridge the gap by exploring how social media platforms can serve as effective tools for raising awareness and increasing the utilization of school libraries.

Challenges in Promoting Library Services via Social Media

Promoting library services through social media in secondary schools faces numerous challenges. One of the key issues is the digital literacy gap among both students and library staff, which hinders the effective use of social media for academic purposes (Adeniran, Amodu, Oladapo & Adewale, 2024). In Ogun State, for example, while many students are active on social media, they often lack the skills necessary to utilise these platforms for accessing library resources. Moreover, inconsistent internet access, especially in rural areas, poses a significant barrier to the successful implementation of social media campaigns aimed at promoting library services (Oseni, 2023). Furthermore, privacy and security concerns regarding the sharing of educational information online have been highlighted as additional challenges that need to be addressed (Smith, Martin & Cooper, 2023). Addressing these challenges is critical for ensuring that social media can be fully harnessed to benefit students and improve their academic outcomes.

Strategies for Enhancing Library Engagement through Social Media

Research has identified several strategies for increasing student engagement with library services via social media. One effective approach is the use of interactive content, such as quizzes, videos, and infographics, which can capture students' attention and encourage them to explore library resources (Folarin, Adeyemi, Oyetola & Ibekwe, 2023). Additionally, collaboration between librarians and educators to integrate social media into the curriculum has been suggested as a means of promoting sustained engagement (Adigun & Bakare, 2024). Internationally, schools have successfully employed targeted social media campaigns that provide timely updates on new resources, upcoming events, and reading challenges, all of which have increased student participation (Brown, Carter & Williams, 2024).

Theoretical Underpinning

This paper is anchored on the Uses and Gratification Theory (UGT) and the Information Literacy Theory. The uses and gratification theory as propounded by Elihu Katz, Jay Blumler, and Michael Gurevitch in 1973, examines how individuals actively choose and use media to satisfy specific needs such as information, social interaction and entertainment. The major thrust of this theory is that users are not passive consumers of media but make deliberate choices to achieve certain gratifications (Alabi, Adeleke & Ajiboye, 2024). This theory is highly relevant to this study as it explains why secondary school students in Ogun State may turn to social media platforms like WhatsApp and Instagram to engage with educational content and library services. By understanding their motivations, schools can better tailor their social media strategies to meet students' informational needs. The information literacy theory, developed by Christine Bruce in 1997, focuses on individuals' abilities to recognize information needs, locate, evaluate and use information effectively. The theory emphasizes the critical role of libraries in fostering these skills, which are essential for academic success (Ogunleye, Folarin, Adewuyi & Babalola, 2023). This theory supports the study by highlighting the need for libraries in secondary schools to promote resources through social media platforms by enabling students to develop critical information literacy skills in a digital context.

Method

This study employed descriptive survey research design to investigate the use of social media platforms in library services performance in three selected secondary schools in Ijebu-North Local Government Area of Ogun State. The population of the study consisted of SSS1 to SSS3 students from Molusi College (Senior), Ijebu-Igbo, Obanta Comprehensive High School (Senior), Awa-Ijebu and Methodist High School (Senior), Ago-Iwoye, all within Ijebu North Local Government Area of Ogun State. The rationale behind choosing these schools is their accessibility and the variety of educational backgrounds among the students, which will provide a comprehensive understanding of the impact of social media on library service performance in the local context. A sample size of 100 students were selected from each of the three schools making 300 sample size. This sample size was deemed adequate for ensuring generalizability and reliability of the findings while being manageable within the scope of the research (Ibrahim, Adeyemi, Olorunfemi & Ajiboye, 2023). The study adopted stratified random sampling technique to ensure that students from all the three schools and across different senior classes are adequately represented. The main research instrument used was a structured questionnaire, which enabled the gathering of standardized information about the study. This questionnaire included both closed and open-ended questions aimed at obtaining both quantitative and qualitative data. The data was obtained through distributing the copies of questionnaire in person and then analyzed using descriptive statistics like frequency distribution and percentages to uncover patterns and trends (Okoro, Eniola & John, 2024).

Data Analysis and Findings

Research Question 1: What is the current level of social media usage for promoting library services in secondary schools in Ogun State?

Table 1: Descriptive analysis of the current level of social media usage for promoting library services in secondary schools in Ogun State (n = 300)

Items	**Level of Agreement (n = 300)**					
	SA	**A**	**D**	**SD**	**Mean**	**SD**
Social media is regularly used to promote library services in my school.	145 (48.3%)	118 (39.3%)	25 (8.3%)	12 (4%)	3.32	0.77
I often receive updates on new library resources via social media.	137 (45.7%)	121 (40.3%)	28 (9.3%)	14 (4.7%)	3.27	0.82
The school library has a strong presence on social media.	130 (43.3%)	128 (42.7%)	30 (10%)	12 (4%)	3.25	0.79
I am encouraged to use the library more because of social media promotions.	148 (49.3%)	112 (37.3%)	27 (9%)	13 (4.3%)	3.31	0.81
Grand Mean					3.29	

Source: Field Survey, 2024

The data in Table 1 examined the current level of social media usage for promoting library services in secondary schools in Ogun State. Out of 300 respondents, 48.3% (145) strongly agreed that social media is regularly used to promote library services, while 39.3% (118) agreed. Only 8.3% (25) disagreed and 4% (12) strongly disagreed. The grand mean of 3.29 indicated a strong consensus that social media is used for library promotion, although a small proportion of students are less aware of this usage. The low standard deviation across responses suggests consistency in students' perceptions. In terms of receiving updates on library resources, 45.7% (137) strongly agreed and 40.3% (121) agreed. The mean score of 3.27 showed that most students acknowledge receiving updates, though 9.3% (28) disagreed. Overall, the responses indicated that social media has a strong presence in the promotion of library services, but there is still room to increase student engagement.

Research Question 2: What challenges hinder the effective use of social media for promoting library services in these schools? |

Table 2: Descriptive analysis of the challenges hindering the effective use of social media for library promotion in these schools (n = 300)

Items	Level of Agreement ((n = 300)					
	SA	A	D	SD	Mean	SD
Poor internet connectivity affects social media promotion of library services.	152 (50.7%)	114 (38%)	24 (8%)	10 (3.3%)	3.36	0.77
Lack of awareness among students hinders social media-based library promotion.	143 (47.7%)	115 (38.3%)	29 (9.7%)	13 (4.3%)	3.29	0.82
The school lacks digital tools to efficiently promote library services via social media.	150 (50%)	117 (39%)	25 (8.3%)	8 (2.7%)	3.37	0.74
There are insufficient social media skills among library staff.	135 (45%)	123 (41%)	29 (9.7%)	13 (4.3%)	3.27	0.82
Grand Mean					3.32	

Source: Field Survey, 2024

The data in Table 2 highlighted the challenges hindering the effective use of social media for promoting library services. A total of 50.7% (152) of respondents strongly agreed that poor internet connectivity is a significant barrier and 38% (114) agreed. Only 8% (24) disagreed, while 3.3% (10) strongly disagreed. The high mean of 3.36 showed that students considered internet connectivity a major issue affecting the promotion of library services. The low standard deviation suggested minimal variance in responses. Similarly, 50% (150) of respondents strongly agreed that the lack of digital tools hinders promotion efforts, with a mean score of 3.37. This indicated that both technological and human resource limitations are considered significant challenges. The responses emphasised the need for better infrastructure and training to improve social media usage for library promotion in these schools.

Research Question 3: How aware are students of library services promotion through social media platforms?

Table 3: Descriptive analysis of students' awareness and engagement with library services through social media platforms (n = 300)

Items	Level of Agreement (n = 300)					
	SA	**A**	**D**	**SD**	**Mean**	**SD**
I regularly see social media posts about the library's resources and activities.	141 (47%)	119 (39.7%)	27 (9%)	13 (4.3%)	3.29	0.81
Social media posts from the library are informative and engaging.	138 (46%)	122 (40.7%)	29 (9.7%)	11 (3.7%)	3.29	0.79
I am aware of the library's social media accounts and follow them.	135 (45%)	120 (40%)	32 (10.7%)	13 (4.3%)	3.26	0.82
Social media has made me more aware of the services provided by the library.	145 (48.3%)	112 (37.3%)	30 (10%)	13 (4.3%)	3.29	0.83
Grand Mean					3.28	

Source: Field Survey, 2024

The data in Table 3 assessed students' awareness of library services promoted through social media platforms. Of the 300 respondents, 47% (141) strongly agreed that they regularly see social media posts about the library and 39.7% (119) agreed. Only 9% (27) disagreed and 4.3% (13) strongly disagreed. The grand mean of 3.28 indicated a high level of awareness, with most students recognising the presence of library-related content on social media. Furthermore, 46% (138) strongly agreed that the posts are informative and engaging, with 40.7% (122) agreeing. This suggested that while students are generally aware of the content, further efforts may be needed to improve engagement and interaction with the library's social media platforms.

Research Question 4: What strategies can be implemented to improve the promotion of library services via social media in secondary schools? |

Table 4: Descriptive analysis of strategies for improving the promotion of library services via social media in secondary schools (n = 300)

Items	Level of Agreement (n = 300)					
	SA	**A**	**D**	**SD**	**Mean**	**SD**
More frequent updates on social media will improve library service promotion.	157 (52.3%)	105 (35%)	28 (9.3%)	10 (3.3%)	3.36	0.77
The library should post interactive content (e.g., videos, quizzes) on social media.	150 (50%)	112 (37.3%)	27 (9%)	11 (3.7%)	3.34	0.78
The library should collaborate with teachers to improve social media engagement.	148 (49.3%)	115 (38.3%)	27 (9%)	10 (3.3%)	3.34	0.77
Offering rewards for student engagement with library social media posts would increase usage.	153 (51%)	110 (36.7%)	25 (8.3%)	12 (4%)	3.35	0.78
Grand Mean					3.35	

Source: Field Survey, 2024

The data in Table 4 focused on strategies that can improve the promotion of library services through social media. A total of 52.3% (157) of respondents strongly agreed that more frequent updates would enhance promotion efforts, and 35% (105) agreed, reflecting a strong consensus on the importance of consistency in social media posts. The mean score of 3.36 indicated that students believe frequent updates are crucial for boosting library engagement. Similarly, 50% (150) strongly agreed that interactive content would further enhance promotion, with a mean score of 3.34. Additionally, the collaboration between librarians and teachers was supported by 49.3% (148) of respondents. These findings suggested that a combination of frequent updates, interactive content and collaboration with educators could significantly increase student engagement with the library's social media platforms.

Discussions

The first research objective sought to examine the current level of social media usage for promoting library services in secondary schools in Ogun State. The findings indicated that a significant portion of students (48.3%) strongly agreed that social media is regularly used for promoting library services, with an additional 39.3% agreeing. These results aligned with recent studies that highlighted the increasing role of social media in education, particularly in engaging students with academic content (Ajayi, 2023; Adebayo, 2024). The grand mean of 3.29 suggested that while social media has a strong presence in the promotion of library services, there is still room for improvement in terms of engagement. This finding is consistent with the of Uses and Gratifications Theory (Katz et al., 1973), which emphasises that students will engage with media content when it aligns with their needs. Therefore, the study confirms that social media is an effective tool for promoting library services, but efforts should be made to make content more engaging and relevant to students.

The second research objective focused on identifying the challenges hindering the effective use of social media for promoting library services. The data revealed that 50.7% of respondents strongly agreed that poor internet connectivity is a major barrier, and another 50% highlighted the lack of digital tools as a significant issue. These findings are consistent with other studies in Nigeria, which report similar challenges in the adoption of technology in educational settings (Ibrahim, Folarin, & Ajiboye, 2023; Oseni & Ojo, 2023). The findings also aligned with Information Literacy Theory (Bruce, 1997), which highlighted the importance of access to digital tools and skills in enabling effective information literacy practices. The results suggested that secondary schools in Ogun State need to invest more in digital infrastructure and training for both students and staff to fully leverage social media for promoting library services.

The third research objective aimed to assess students' awareness and engagement with library services through social media platforms. The findings showed that 47% of students regularly see posts about the library, with 46% strongly agreeing that these posts are informative and engaging. However, while awareness is relatively high, the data also suggest that there is room for improvement in increasing student engagement with the content. Previous studies (Alabi & Salawu, 2023; Wright, 2023) have similarly noted that while social media is effective for raising awareness, engagement often requires more interactive content. This underscores the need for libraries to adopt more creative strategies to make their social media presence more interactive, such as incorporating multimedia content like videos, quizzes and virtual events. The alignment with Uses and Gratifications Theory further reinforces that students are more likely to engage with content that meets their academic and informational needs.

The fourth research objective sought to propose strategies for improving the promotion of library services via social media. The data showed that 52.3% of respondents strongly agreed that more frequent updates on social media would enhance library promotion, while 50% supported the use of interactive content. These findings are consistent with global research that highlighted the importance of consistent and engaging social media content in educational contexts (Brown, Carter, & Williams, 2023). Moreover, the idea of collaboration between librarians and teachers to boost social media engagement, which was supported by 49.3% of students, aligns with recent findings by Adeoye (2024) that interdisciplinary collaboration in content creation can improve student engagement. The findings suggested that a combination of regular updates, interactive content and collaborative efforts could significantly improve the performance of library services through social media in secondary schools, thus confirming that the study's objectives are aligned with both the data and existing literature.

Conclusion

This study has demonstrated that while social media is increasingly utilised for library services performance in secondary schools in Ogun State, there remain significant challenges and opportunities for improvement. The findings revealed that a large proportion of students are aware of library promotions via social media, though engagement could be enhanced with more frequent updates and interactive content. Major barriers such as poor internet connectivity and a lack of digital tools also hinder the full potential of social media in this context. However, the proposed strategies, such as improving infrastructure, providing digital literacy training, and fostering collaboration between librarians and educators, offer practical solutions to overcoming these challenges. Ultimately, by addressing these issues, secondary schools can better leverage social media platforms to promote library services and enhance students' academic engagement.

Recommendations

Based on the findings of the study, it is recommended that:

- Schools invest in improving internet connectivity and digital infrastructure to enhance the promotion of library services via social media.
- Schools should also provide training for both students and staff to improve digital literacy and effective use of social media platforms.
- Libraries should adopt more interactive content, such as videos and quizzes, to engage students and make promotions more appealing.
- Also, collaboration between librarians and teachers in creating social media content will help increase student awareness and usage of library resources.

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EARNINGS MANAGEMENT AND FIRM PERFORMANCE OF QUOTED INSURANCE COMPANIES IN NIGERIA

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Abstract

The study aimed to evaluate the impact of earnings management and firm performance in Nigeria on quoted insurance firms. It adopted the ex-post facto research design. Data for the study were sourced from the financials of the selected companies for the period of 2012-2021 and pooled OLS was adopted for the analysis. The study investigated how earnings management affects various financial ratios and the claims ratio in insurance firms. The results indicated that earnings management had a positive and significant impact on gross premium ratio (GPR), discretionary accruals (DAC), and asset turnover ratio (ATR). The study however recommended that empowering the Nigerian Accounting Standard Board (NASB) to develop a comprehensive and well-structured framework for accounting regulation. This framework would ensure compliance with relevant accounting standards such as GAAP, IFRS, CAMA, and other financial reporting guidelines.

Keywords: Earning Management, Gross Premium, Claim Ratio, Discretionary Accruals, and Asset Turnover ratio

1.0 Introduction

Firm performance has been always identified as one of the major variables in management; it has been specifically addressed due to its broad meanings over the years Kasmaei and Kari (2022). Firms often resort to earnings management by manipulating their accounting policies in order to report target earnings. There are many factors that motivate firms to adopt various accounting policies to manipulate their financial information. 'Market reaction' has traditionally remained one of the most important factors behind earnings management. If the reported earnings of a firm are significantly lower than the original estimates, it may adversely affect the share price of the firm in the market. Moreover, wide variations in earnings of a firm over the years may raise questions about the earnings stability of that firm. Hence, firms may resort to earnings management to smooth out such fluctuations (Barnea, Ronen and Sadan, 1976). Obtaining increased amount of bonus by managers may also act as motivation behind earnings management. Haw, Wu, and Wu (2005) find that the fear of government investigation and intervention may also act as motivation behind manipulating earnings by the managers (Agrawal and Chatterjee, 2015). Observing accounting scandals in several established and emerging economics has made the concept of Earnings Management (EM) more important than ever. Earnings Management (EM) has gained prominence as a result of the appearance of accounting problem in a number of established and emerging economics. The interests of management and owners conflict when the agent (management) separates from the principals (owners). Even when owners and other stakeholders insist on monitoring and measuring managerial decision-making, managers constantly work to advance their own interests. This situation gives rise to earnings management because it is common knowledge that managers closely supervise the preparation of financial statements, using their discretion to report earnings that benefit their own interests. Earnings management refers to a financial reporting practice where managers exercise their discretion in manipulating financial reports and transactions.

Earnings management may be used to deceive business owners or investors through garnished accounting because it is occasionally acceptable to manipulate accounting data without breaking generally accepted accounting principles (Haryudanto and Yuyetta, 2017). Financial statements play a vital role in reflecting a company's performance, management often resort to deceptive practices, manipulating the true representation of financial statements. In order to deceive stakeholders, Organizational managers frequently engage in earnings management, by using creative techniques to manipulate the accounting data.

Earnings Management is intrinsically linked to profit generation. This is because profit produced by a business entity is frequently utilized as a benchmark by readers of financial statements when determining the firm's performance. As a result, management has incentives to manage earnings. So, they cannot ensure that the information supplied to the owner accurately reflects the firm's actual financial position. Earnings management activities may impair the quality of information given in financial statements about profits. The financial statements' low-quality information will have a detrimental effect on the organization's financial performance (Widagdo, Murni, Nurlaela and Rahmawati, 2021). In the works of Akram, Hunjra, Butt and Ijaz (2015), earnings management initiatives are seen to be unfavorable for financial performance.

Warglien and Sacco (2018) opined that earnings management refers to a tactic utilized by company executives and decision-makers to manipulate the numerical values of earnings within financial statements. This manipulation involves the use of managerial judgments, which may include justifications, speculation, and even deceptive practices. The primary motivations behind earnings management are to serve personal interests, align with organizational objectives, and demonstrate accountability to stakeholders. Therefore, accounting (offering accounts), accountability, and accounting procedures (managing earnings) are the three key components of EM. When certain parties to a commercial transaction have an advantage over others in terms of information, this is known as information asymmetries. While independent auditors and accounting regulations aim to curb opportunistic behavior, there is mounting evidence from academic research and mainstream media indicating that managers exploit their discretion over accounting figures for their own benefit. It will probably be hard to catch because earnings management is deceptive. Early studies on the subject looked at how managerial incentives and choice of accounting method interacted.

Firm performance, in contrast, is a metric for a business that may be influenced by both the company's effectiveness and the market in which it competes. A business's performance can be evaluated using a variety of financial measures. Standard metrics utilized to evaluate financial performance encompass various indicators such as revenue, return on equity, and returns on assets, profit merging, sales growth, capital adequacy, liquidity ratio, and stock prices. However, there is no consensus on a universally accepted definition. Additionally, a company's financial objectives can serve as a yardstick to gauge its financial performance. Moreover, financial performance can be used to describe the overall financial position of a company during a specific period. It may also be used to describe a company's financial standing over a specified time frame. A company's performance is evaluated based on its profitability, ability to fulfill its obligations, and commitment to the business. Performance metrics used by insurance businesses include, among others, the claims ratio, the gross premium, and claims. Gross premiums are what the insurance industry receives as revenue. The premium-to-plus ratio, which gauges an insurer's capacity to withstand above-average losses and its financial soundness, is sometimes used to evaluate it. The ratio of claims expenses to premiums received is known as the claim ratio. By dividing the claims rate by the risk premium rate, the claims ratio is derived. The ratio of claims expenses to premiums received is known as the claims ratio Nigeria Deposit Insurance Commission, 2017).

One of the areas of concentration in the quest for the company's stability and sustainability is earnings management. For an accurate picture of the business, statements of accounts heavily rely on earnings management. The addition of net profit to the firm's profile is known as earnings management. This crucial component of the accounting statement fuels a company and helps management concentrate on the assets and liabilities. The firm's resources are used more efficiently when raising the firm's net worth and performance is the establishment's goal (Ubesie, Nwankwo, and Nwankwo, 2020).

Zhaohui and Taylo Dugan (2017) found evidence that management manipulates accruals to manage profitability without having an immediate impact on cash flow. Examples include underestimating bad debt payments and allowances as well as delaying asset write-off, asset impairments, and the long-term asset salvage value. To achieve predetermined earnings goals, management can also engage in earnings management by influencing real operations through operational choices that have an immediate impact on cash flow. Give examples such as spending on R&D, capital projects, excess output, and selling and disposing of long-term assets.

This study aims to address a research gap by investigating the influence of earnings management on financial performance of quoted businesses in Nigeria, specifically focusing on insurance companies operating in the country.

Objectives of the Study

The broad objective of the study is to assess the impact of earnings management on performance of quoted insurance companies in Nigeria while the specific objectives will be to:

i. Investigate the impact of earnings management on the Gross Premium (GPR) ratio
ii. Examine the effect of earnings management on the claim ratio
iii. Analyze the impact of earnings management on Return on Equity (ROE)

2.0 Literature Review

2.1 Conceptual Review

2.1.1 Earnings Management (EM)

Tabassum, Kaleem, and Nazir (2013) opined that earning is the major factor that represents financial stability and power, as well, Akram et al. (2015) declared it as the health and financial strength of any firm. Based on earnings, different firms and future investors are attracted to companies for investment purposes, resulting in rising stock prices (Debnath, 2017). As earnings are the key index of stock prices, organizations tend to gain specific predicted earnings. Several different techniques and strategies whether legal or otherwise are applied by managers to achieve specific earnings goal. This phenomenon is called earnings management (Cimini, 2015; Tabassum, 2015). In the current global economy, there is a growing concern about the importance of financial reports from economic entities. Giving information to miscellaneous stakeholders and possible investors about how businesses perform financially, and also providing an opportunity to assess the financial health of a firm are the most important aims of any financial report. The main worry now is the existence of earnings management practices in financial reporting processes that manipulate reports and generate misleading financial reports to influence decisions made by investors and stockholders (Kumari and Pattanayak, 2017). In earnings management, accounting techniques are applied in order to provide financial reports and present an excessively positive view of business activities and financial status of the firm.

Financial report is generally believed to play a critical role in facilitating informed financial decision-making. To help consumers make wise decision, financial statement information is supposed to be accurate, reliable and comparable. The financial statements are used by both current and future investors to make investment and support decisions. The posting of financial statements and position is the only way company directors can interact with stakeholders (Ijeoma, 2014). Companies that intentionally produce misleading financial reports or delay the disclosure of recent earnings misguide the consumers of financial statements. According to a study by Perols and Lougee in 2016, fraudulent businesses have a history of manipulating their profits.

Shehu and Abubakar (2017) opined that earnings management refers to the intentional manipulation of financial statements or information with the aim of misleading investors regarding a company's actual financial status or gaining contractual benefits that heavily rely on accounting figures. Administrators primarily utilize earnings accruals as a prominent method to artificially increase or decrease reported income. Earnings accruals are significant in this regard as they encompass earnings components that do not directly correspond to current cash flows with a substantial level of managerial discretion in the calculation.

Earnings, according to Gunny (2018), are "Deliberate manipulation of the external financial reporting process with the objective of personal benefit". Fraudulent according is performed by using accounting techniques to reflect the underlying practices rather than by changing a company's main economic activity. On the other hand, managing actual earnings requires changing a company's core business practices, such as lowering the pricing of a company's good and services at the year end to boost sales and increase earnings for the current financial year. Real earnings management is used by managers within a corporation for a variety of reasons, including avoiding class action lawsuits linked to aggressive accounting choices.

Warglien and Sacco (2016), earnings management is a practice employed by business decision-makers to manipulate earnings figures in financial statements through managerial judgments that involve justifications, speculation, and even dishonesty. The primary motivations behind this practice are personal gains, such as achieving organizational goals and demonstrating accountability to stakeholders. Therefore, accounting (offering accounts), accountability, and account procedures (managing earnings) are the three key components of EM. When certain parties to a commercial transaction have an advantage over others in terms of information, this is known as information asymmetries.

Recent research findings from both academic literature and public disclosure indicate that managers often exercise their discretion over accounting figures to pursue personal gains, despite the existence of standards and independent auditors that aim to curb such opportunistic behavior. Managers might manipulate contractual results or mislead stakeholders about the company's financial performance by engaging in earnings management. It will probably be hard to catch because earnings management is deceptive.

Early studies on the subject looked at how managerial incentives and choice of accounting method interacted. So, based on discretionary accruals, prior research has distinguished earnings management. The money flow from activities and total accruals made up the earnings. Total accruals encompass both discretionary and non-discretionary accruals, representing the overall sum of accounting adjustments made in a given period.

When a company's cash flows are being adjusted, non-discretionary accruals are the accruals that must be included, according to the accounting regulation. Discretionary accruals, in accordance with Dechow (1994), frequently permit managers to manipulate earnings due to the considerable flexibility. Healy introduced the concept of discretionary accruals in 1985 as a means to identify earnings if earnings are not manipulated, while discretionary accruals are influenced by managerial discretion.

Financial Performance

Insurance Key Performance Indicators (KPIs) are measures a firm uses to evaluate its effectiveness and performance. Metrics in the insurance sector can help a company discover areas of operational success and those needing further thought. In order to assess insurance firms and determine which would be the best investment, certain KPIs are routinely employed. Financial performance shows how effectively a corporation can use its resources to produce profits. Return on equity is a measure that shows the profit generated from asset investments after accounting for taxes. This ratio, as defined by Alexander and Hengky (2017) and Dewi and Prasasito (2012), can be utilized to evaluate a company's performance. Additionally, it offers an assessment of the organization's ability to generate economic benefits from its assets.

2.2 Theoretical Review

2.2.1 Signaling Theory

This theory was proposed by Lintner in 1956. The signal is a business decision that informs investors of the management views regarding the company's prospects for the future. Company-released information is essential since it affects the investment choices made by person outside the company. claim (Brigham & Houston, 2017). This information holds significant importance for investors and entrepreneurs as it encompasses relevant details, notes, or visuals pertaining to historical, current, and future factors that impact the company's sustainability and its implications. The information is crucial because it provides details on past, present, and future market condition that may affect a company's ability to survive. Investors are misled by earnings management, which also upholds the notion that the significance of information from reported results has increased. The value of the information in released results may be diminished as a result of earnings management's potential interference with its purpose. This serves as the study's guiding theory.

2.2.2 Agency Theory

Agency theory suggests that a cooperative working relationship exists between the shareholders who delegate authority as the principal, and the company's management as the agent (Jensen and Meckling, 1976). More details about the agent's qualifications, workplace, and employer are available. The principal and agent now have what is known as information asymmetry and conflicting interests, agents are prone to providing the principal with misleading information, particularly when it pertains to the agent's own performance.

The partnership relationship that exists between the principals and their agents or representatives is referred to as agency theory. A striking illustration is when a shareholder or investor acts as the principle while executive management and staff act as agents or representatives of the shareholder or investor. According to agency theory, shareholders or investors are the primary persons or owners of the organization. Executive management is able to effectively represent shareholders by managing the company's operations and their investments to maximize returns for the principal.

According to Clarke (2004), agency theory indicates that the managers or staff in businesses has the option of choosing to be selfish. The shareholders or investors who serve as the principals believe that managers should always work in their best interests when acting as a source of funding. However, the agent who is in charge of managing the company's daily operation in order to maximize wealth may always operate in the principal's best interests. According to Padilla (2000), the agent may act in a self-centered manner and only take actions that would further his or her own personal interests without taking the principal's interest into account. Today, sub-optimization is the norm. the Agency theory was developed to address ownership and control conflicts between principals and their agent or representatives. Bhimani (2008) pointed out that the rules created by the principles, which are focused on maximizing shareholders' wealth and value, govern the agents who represent the principals.

2.2.3 Resource-Based Theory

Barney (1991) and other notable authors such as Wernerfelt, Prahalad, and Hamel, the resource-based view (RBV) emphasizes that competitive advantages stemming from strategic resources can lead to substantial earnings for a company. This school of thought maintains that rather than focusing on the outside environment, organizations should search internally for sources of competitive advantage.

This idea holds that a company's resources can be both tangible and intangible, including financial assets, physical assets, technological equipment, and intellectual property as well as staff skills. According to the theory, a business can maintain a competitive advantage by collecting and using one-of-a-kind, priceless and uncommon resources that are challenging for rivals to mimic or replicate. These assets are sometimes described as the company's "core competences" or "distinctive capabilities". According to resource-based theory, businesses can gain a competitive edge by putting plans in place that are geared towards enhancing and utilizing their special resources and competencies. A business with its own technology might concentrate on broadening its product line and breaking into new areas where it can take use of its technological edge. In general, the resource-based paradigm emphasizes how crucial a company's assets and capacities are to sustaining its competitive edge and success. A company can set itself apart from rivals and enjoy long-term success in its industry by making the moist of its special and valuable resources.

2.3 Empirical Review

Evidence from Developed Economies

In 2020, Gaetano, Aurelio, Carlo, and Jon conducted a study examining the impact of financial challenges on earnings management strategies within non-listed Italian enterprises. The study investigates how financial difficulties affect the earnings management practices of these companies. The sample for the study consisted of 361 observations from various industries in Italy between 2010 and 2015. This research becomes particularly relevant in recent years as nations focus on developing reliable empirical models to identify potential financial problems within companies.

Salma and Anis (2019) studied the impact of earnings management on financial performance in the euro continental accounting model using evidence from France. The methodology uses the ROA, ROE, Tobin Q, and Marris ratio as its four financial performance measurements. Panel data are used to estimate each regression that is employed. The results showed that earnings management has a negative impact on financial performance when ROA and ROE measurements were applied.

Edi and Vera (2020) studied that influence of business characteristics and efficient corporate governance on earnings management behavior. The study examined how specific business traits and governance practices impact the management of earnings. Purposive sampling was employed for the research samples, while data analysis utilized E-View version 10 software. Three models of discretionary accruals were utilized to examine earnings management behavior. The study findings suggested that corporate characteristics have a significant influence on the behavior related to earnings management.

In 2018, Malofeeva conducted a study examining the impact of adopting IFRS on earnings management in Russia. The sample used for analysis consisted of 361 observations from various industries in Russia between 2010 and 2015. Furthermore, the R-square value demonstrated a good level of approximation accuracy and strong predictive power. The findings suggested that the adoption of IFRS had a significant impact in reducing discretionary accruals, thus indicating a positive effect on earnings management practices in Russia.

2.3.2 Evidence from Developing Economies

In an investigation to ascertain whether profit quality affects company performance, Isam, Malik, and Farsi (2020) collected data. The findings depicted that a higher level of managerial control over behavior and outcomes has a positive impact on earnings quality, leading ot improved organizational success. Furthermore, the study indicated that accounting information with a high level of relevance enhances the quality of earnings, and when combined with the interaction variables of the environment, it contributes to improved performance.

Rusdiyant and Narsa (2020) explored the influence of business size, leverage, and return on assets on earnings management: an Indonesian firm's case study. The research approach combines quantitative and descriptive techniques. The Indonesia Stock Exchange provided financial statement data from 2014 to 2018 for the study. The Indonesia Stock Exchange's website served as the data source. According to the study's conclusions, leverage and return on assets have a greater impact on managing earnings than firm size. Regression testing's significance value for the company's size is 0.729, which shows that it has no discernible impact on how earnings are managed.

Andry and Dewi (2019) conducted a study that aimed to explore the factors influencing earnings management and its impact on the accuracy of financial statements. The research utilized panel data regression analysis are the methodological approach. The findings from the first model showed that leverage had a slightly significant positive influence on earnings management, while audit quality, firm size, and CGPI had slightly significant negative influence on earnings management.

2.3.3 Evidence from Nigeria

Ubesie, Nwankwo and Nwankwo (2020) assessed earnings management and financial performance of consumer products firms in Nigeria. The study used a simple regression analysis to examine financial statements gathered from three particular Nigeria consumer products companies. The results depicted that earnings management has no impact on the total assets of Nigerian consumer goods companies.

Abdullahi, Norfadzila, Umar, and Lateef (2020) studied the financial factors affecting the profitability and management of earnings of Nigerian listed firms. The study looked into the financial factors that affect how profitable Nigerian listed firms are and how they handle their earnings for the 2010-2018 fiscal years. The study leverage secondary methodology to gather data rom Thompson Reuters Data Stream and the annual reports of publicly traded corporations. To examine the model and analyze the data, multiple regression is employed. According to the study, there is a considerable and favorable correlation between profitability as shown by ROA and earnings capacity.

3.0 Methodology

The study utilized an ex-post facto research design. Ex-post facto research commences after the event has already taken place, without any intervention from the researcher. The selection of the top ten (10) insurance-listed firms was based on criteria such as share price, market access, and motivation for growth. Disproportionate stratified random sampling will be employed to ensure representation from different strata. Between 2012 and 2021, extracted financial information from the annual reports of insurance companies was used for the study. The data was examined using descriptive statistics, correlation matrix, and Pooled Ordinary Least Square (OLS) Regression.

3.1 Population, Sampling and Sampling Techniques

The population of this study is all licensed insurance companies in Nigeria. According to NAICOM (2019), the insurance firms are categorized into:

Table 1: Categorization of Insurance Firm

S/N	GROUPS	NUMBER	PERCENTAGE
1	Composite Insurance Firms	13	22.03%
2	General Insurance (Non Life Companies in Nigeria)	28	47.46%
3	Life Insurance	14	23.73%
4	Re-Insurance	2	3.39%
5	Takaful	2	3.39%

The sample used disproportionate stratified random sampling as well as purposive sampling techniques. The sample is selected as follows:

Table 2: Disproportionate Stratified Random and Purposive Sampling

S/N	GROUPS	NUMBER	PERCENTAGE
1	Composite Insurance Firms	4	20%
2	General Insurance (Non Life Companies in Nigeria)	4	40%
3	Life Insurance	2	20%
4	Re-Insurance	1	10%
5	Takaful	1	10%
	Total	10	

Model Specification

Jones model employed by Uwalomwa, Uwuigbe and Okorie (2015) was leveraged for the study

$$\text{TA/A}\ (it-1) = \beta\ (\Delta \text{ in Rev} - \Delta \text{ in Rec}) / \Delta t - 1) + \beta\ (\text{PPE/A}\ it - 1) + \mu$$

Total Accruals = Net Income less Cash flow from operating activities = Discretionary Accruals + Non-Discretionary Accruals

To estimate discretionary accruals (DAC) the study leveraged the model of Kothari, Kothari, Leone and Wesley (2005)

$$\text{NDA}\ it = \text{NDA}_{it} = \alpha_1 = \frac{1}{\Delta it-1} + \alpha 2 \frac{\Delta REV\text{it} - \Delta\text{RETit}}{\Delta it-1} + \alpha 3 \frac{PPE}{\Delta it-1} + \alpha 4^{\text{RDA}}{}_{\text{it--1}} + \mu_{\text{it}}$$

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4.0 RESULT AND DISCUSSION

4.1.1 Descriptive Statistics

	GPR	ROE	CR	DAC	FS	ATR	DAR
Mean	0.371779	0.136149	0.795151	5.652965	20.83897	2.9014	1.684641
Maximum	2.542096	5.661635	11.34709	13.69250	22.95402	2.4773	12.12733
Minimum	0.000741	0.00635	0.004541	-4.642964	4.237770	0.7690	0.085491
Std. Dev.	0.481233	3.413108	0.972284	9.270919	6.112581	1.3200	7.553506
Prob. (Jarque-Bera)	0.08908	0.073000	0.045000	0.023000	0.110900	0.99897	0.033000
N	100	100	100	100	100	100	210

Source: Author's computation (2024)

GPR=Gross Premium Ratio, CR=Claim Ratio, ROE=Return on Equity, DAC=Discretionary Accrual of Firm, FS=Firm Size of firm, ATR=Asset Turnover, DAR=Debt Asset Ratio.

Table 4.1.1 revealed the descriptive statistics of the study; Gross Premium Ratio shows the minimum (0.000741), maximum (2.5420), mean (0.3718) and Std. Dev. (0.4812). ROE indicates the minimum (0.000635), maximum (5.66163), Mean (0.13614) and Std. Dev. (3.41311). Claims Ratio revealed the minimum (0.004541) and maximum (11.34709), mean (0.7951) and standard deviation (0.9723). Firm size has minimum (4.23770), maximum (22.95402), mean (20.83897) and standard deviation of 6.112581. Asset turnover ratio (ATR) shows the minimum 0.7690, maximum (2.4773), mean (2.9014) and standard deviation (1.3200). Devt-Asset ratio shows minimum (0.08549), maximum 912.12733), mean (1.6846), and std. dev (7.5535). Hence, the number of observation is 100. Jarque-bera test depicted that majority of the variables are normally distributed, positively skewed, and lepokurtic in nature, because the probability level of the variables as shown above is greater than 5% (0.05) level of significance employed in the study.

5.0 Concluding Remarks and Recommendation

5.1 Concluding Remarks

Earnings management involves manipulative practices in financial reporting that aim to deceive company owners and investors by presenting distorted accounting information. The study depicted that earnings management, measured by discretionary accruals, has a significant impact on the gross premium ratio, claims ratio, and return on equity. Financial statements play a crucial role in showcasing a company's performance, but management often resorts to misleading tactics by manipulating the true position of these statements through various means. Earnings management serves as a tool for managers to manipulate financial information, making it appear more favorable and deceiving stakeholders. It deviates from standard accounting practices and primarily focuses on achieving short-term earnings management, while the asset turnover ratio and debt asset ratio have a negative but insignificant impact. It also highlights that earnings management practices can influence audit opinion and that poor-quality financial information sends negative signals to investors.

5.2 Recommendations

Regulatory authorities play a vital role in ensuring the integrity, transparency, and reliability of financial statements and annual reports of companies. To fulfill this crucial responsibility, it is essential for these authorities to implement suitable and effective measures that thoroughly access, analyze, and scrutinize the financial information provided by companies. In summary, the implementation of suitable and effective measure by regulatory authorities is crucial for thoroughly assessing, analyzing and scrutinizing the financial statement of companies. This promotes financial accountability, detects irregularities and fraud, ensures compliance with accounting standards, assesses financial stability and risk management, enforces transparency and disclosure, and encourages independent audits. These measure collectively foster investor confidence, protect stakeholders' interests, and contributes the to the integrity of the financial system.

Efficient procedures should be implemented by regulatory authorities to promptly identify and detect instances of earnings management practices, ensuring that they do not unduly impact investors' assessment. It is crucial to maintain the integrity of financial reporting and protect investors' interests. Implementing efficient procedures is crucial for regulatory authorities to promptly identify and detect instances of earnings management practices. These procedures reduce information asymmetry, maintain investor confidence, strengthen financial transparency, protect investor's interest, enhance regulatory compliance, promote marked efficiency, and foster collaboration with auditors. By taking proactive measures to combat earnings management, authorities ensure that financial reporting remains reliable, credible, and beneficial to all stakeholders in the financial ecosystem.

Furthermore, companies should strive to adopt approaches in financial reporting to enhance the wealth of their shareholders. It is essential for companies to adopt optimal financial reporting practices. These practices contribute to investor confidence, access to capital, risk management, stakeholder trust, compliance with regulations, informed decision-making and strong investor relations. By prioritizing effective financial reporting, companies can enhance shareholder wealth in the long term.

It is crucial to empower the Nigerian Accounting Standard Board (NASB) to develop a comprehensive and robust accounting regulatory framework. This would include the authority to accept, evaluate, and investigate the financial statements of companies listed on the Nigerian Exchange Limited (NGX), ensuring their compliance with Generally Accepted Accounting Principles (GAAP), International Financial Reporting Standards (IFRS), the Companies and Allied Matters Act (CAMA), and other relevant financial reporting standards.

Also, the Financial Reporting Council of Nigeria (FRCN) and other regulatory bodies should enhance their efforts to enforce strict compliance with the financial reporting framework set forth by the International Financial Reporting Standards (IFRS). This will ensure the production of improved and more credible financial reports that are widely accepted.

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IPSAS ADOPTION AS A PANACEA TO THE FINANCIAL MANAGEMENT OF PUBLIC SECTOR IN NIGERIAS

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ABSTRACT

This study examined the effect International Public Sector Accounting Standards (IPSAS) adoption has on public sector financial management in Ogun State, Nigeria. The study adopted a descriptive survey research design because it helps in obtaining similar information from various groups of persons through the use of an administered questionnaire. The population covered all the staffs (do not pluralize staff- staff is staff) of Ogun State Accountant General's Office; out of which 50 staff was selected as the sample size and this was achieved through random sampling technique. A close ended questionnaire was used to elicit the needed information from the respondents and the necessary validity and reliability of the instrument were done accordingly to authenticate the items on the questionnaire. Data generated from the respondents was analyzed through simple regression, and mean and standard deviation. The findings of the study revealed that the independent variable explained about 11.2% of the systematic variation of the dependent variable. The overall fitness of the model as shown in the F statistics of 18.189 with a probability of 0.04 was statistically significant as it was lesser than the standard critical p-value of 0.05. Hence, the study concluded that IPSAS significantly influences public sector financial management in Nigeria and that the challenges of Nigerian public sector are costs associated with tracking and identifying government tangible assets. Hence, it was recommended that government at all levels; should as a matter of necessity embark on continuous training and retraining of accounting personnel who are charged with the responsibilities of preparing the accounts in order to maintain and sustain enhanced credibility of financial reporting.

Keywords: IPSAS adoption, Financial Reporting, Financial Management, Public Sector, Financial Accountability

Introduction

Over the years, countries of the world are been governed by a set of standards in reporting their activities which varies from cash basis, accrual basis and modified cash basis and each of this these methods are subject to their territories perception on the method that will best fulfilled and in line with their reporting focus or desires that will satisfied their governance style. IPSAS pre-adoption era, cash basis of accounting has been Nigeria basis of reporting which has some limitations and setbacks that affects financial transactions such as poor budget implementation, mismanagement of public fund which distinguished government reporting from private reporting and this has created an issue of poor budget implementation (Olaoye, 2010 and Ama, 2013). Also, Ebai & Forge (2009) noted that the declining sense of integrity honesty and lack of professionalism and conflict of interest has destroyed African public service since. Under traditional cash-based accounting methods, expenses and revenues recognition need not be recorded in the period to which they relates and cash-based do not fully recognize assets and liabilities. Recently, the trend of globalization and lapses that standards setting bodies and government organisations had discovered from the three basis of government reporting has brought about International Public Sector Accounting Standards (IPSAS). Out of the need to develop a unify accounting reporting system across the globe was the need that the Nigeria Government opted for IPSAS and other standards like International Financial Reporting Standard (IFRS).

The roadmap for the adoption of IFRS and IPSAS in Nigeria was approved by the Federal Executive Council (FEC) in Nigeria for both private and public sectors respectively in July, 2010 (Erin, Okoye, Modebe, & Ogundele, 2016), while the implementation of Accrual Basis under the International Public Sector Accounting Standards (IPSAS) in Nigeria started in January 2016 (Frank, 2015). International Public Sector Accounting Standards Board (IPSASB), which used to be the Public Sector Committee (PSC) of the International Federation of Accountants (IFAC), developed a set of International Public Sector Accounting Standards (IPSAS), in order to improve the quality of general purpose financial reporting by public sector entities, leading to better informed assessments of the resource allocation decisions made by governments, thereby increasing transparency and accountability (ICAN 2014). Hence, this study aims to examine the empirical evaluation of International Public Sector Accounting Standards (IPSAS) on public sector financial management in Nigeria.

Statement of the problem

IPSAS was introduced by the International Federation of Accountants (IFAC, 2012; 2014) through one of its standard setting boards: the

International Public Sector Accounting Standard Board (IPSASB) in response to increasing calls for greater transparency and accountability in the management of public funds in the wake of the global financial crises (Ademola et al., 2017; Bello, 2001, IFAC, 2017, Schaik, 2018). Thus, the core motivation for embracing IPSAS by the government of Liberia as part of the financial management reforms was to overturn the existing weakness hampering accountability and transparency in the country.

The IPSAS accrual basis financial reporting framework is expected to be a successful tool to address government provision of financial information problem, but there still exist infrastructural gaps in the public sector that is required for the full IPSAS implementation. Financial reports had continued to witness a low level accountability and improper application of accounting standards by government institutions in the Nigerian Public Sector. In a study conducted by FAAC (2020), it was also alleged that some States that have implemented IPSAS do not fully comply with the reporting requirements.

Revamping institutional commitments and engaging in statutory adjustments toward IPSAS implementation have become important issues confronting the financial reporting quality in Nigerian Public sector (Babatunde, 2017). It is no doubt that some challenges were responsible for the nonconformity with the trend in globalization and when they are adequately addressed it would enhance full IPSAS implementation in Nigeria. It is the pervasive nature of IPSAS challenges that led to the following question begging for answer which include if there are differences in the opinion of accountants, auditors, cash officers on the challenges of IPSAS implementation in the Nigerian Public Sector?

Objectives of the study

The main objective of this study is to assess and ascertain the impact of IPSAS adoption and implementation on transparency and accountability in managing financial resources or public funds by Ogun state government. The research objective was accomplished by examining the following research question:

Research Question

1. Does the adoption of International Public Sector Accounting Standard improve greater transparency and accountability in the financial management of Ogun state, Nigeria?

Hypothesis of the study

The research was carried out based on the following null hypothesis:

$H_0 1$: Adoption of International Public Sector Accounting standard does not significantly promote greater transparency and accountability in the financial management of Ogun State, Nigeria.

Literature Review

Conceptual Review

International Public Sector Accounting Standards (IPSASs)

It is imperative that every government works towards establishing trust with its several publics and constituencies. Establishing trust is done through effective information sharing. Governments must present accurate and complete information on their revenue, expenditures and other transactions, as a way of showing greater accountability and stewardship and thereby court trust from its publics and constituents. In other words, governments must present clear and comprehensive information about the financial consequences of their political, economic, and social decisions to all of its stakeholders.

International Public Sector Accounting Standards (IPSASs) are a set of accounting standards issued by the International Public Sector Accounting Standards Board for use by public sector entities around the world in the preparation of financial statements (Modebe, & Ogundele, 2016). These standard is a replicate of the private sector standard (International Financial Reporting Standards) issued by the International Accounting Standards Board (IASB). IPSASs are issued by IPSASB (International Public Sector Accounting Standards Board), an independent organ of IFAC (International Federation of Accountants). The IPSASB adopts a due process for the development of IPSASs that provides the opportunity for comment by interested parties including auditors, preparers (including finance ministries), standard setters, and individuals. IPSASB's meetings to discuss the development and to approve the issuance of IPSASs or other papers are open to the public. Agenda papers, including the minutes of the meetings of the IPSASB, are published on the IPSASB's website (Heald, 2003; Acho, 2014; ICAN 2014; Frank, 2015; Erin, Okoye, Modebe, & Ogundele, 2016).

Prior to the introduction of IPSAS, there were no recognized international reporting standards specifically designed to guide reporting on the use of public funds by governments to interested parties (Brown, 2013; Ijeoma and Oghoghomeh, 2014; Nkwagu et al., 2016). IPSASs were therefore developed to address issues which were hitherto either not addressed by existing International Financial Reporting Standards (IFRS) or for which no IFRS had been developed (Achua, 2009 as cited in Ademola et al., 2017).

Accordingly, the development of the IPSASs by IPSASB signified the conception of practical efforts by the accounting profession to provide accounting tools that represent real progression towards increasing transparency and accountability by governments and related agencies in managing public funds through a high-quality and standardized financial reporting framework. As stated by Ademola et al. (2017), the IPSASB which serves as an independent standard-setting board, with the support of IFAC, issued one Cash Basis IPSAS and several other IPSASs built on the accrual basis of accounting similar to the IFRS.

Public Sector in Nigeria

The public sector is usually composed of organizations that are owned and operated by the government. This includes federal, state and local governments. Ibhahulu (2012) described public sector as that sector of the economy established and operated by the government and its agencies distinguishable from the private sector and are organized on behalf of the whole citizens. Mathias (2004) explained that private sector accounting aim in theory is different from public sector accounting and argued that most government agencies and municipalities need to track funds generated from tax revenues and direct it towards their expenditures and other related projects or appropriations. In addition, nations may need to follow a set of standard of accounting principles different from private sector accounting rules. But with the development of international accounting standard, helps countries to follow similar rules thus making preparation and presentation of similar financial statement possible.

Public Sector Financial Management

The Public sector financial management is describe as a high-quality financial information in the public sector that enables an accurate and complete assessment of the impact of policy decisions, supports external reporting by governments to electorates, taxpayers, and investors; and aids internal decisions on resource allocation (planning and budgeting), monitoring, and accountability of the government (International Federation of Accountants, 2017).

Challenges of IPSAS Adoption

In the pre-adoption era, Ijeoma and Oghoghome (2014) asserted that Nigeria transition to Accrual basis of IPSAS will bring about a lot of challenges such as: Systematic identification and valuation of assets and liabilities as at the date from which accrual accounting commenced; Lack of adequate technical resources; Political ownership such as inadequate support at the highest levels of the executive; Consolidation issues. Also, Shehu, and Adamu (2014), that it challenges may be time consuming as well as resources needed to be provided in order to carry out seminar and workshops for those who dealt with financial reporting matters of public organizations may be inadequate to fully meet up with the requirements of IPSAS.

IPSASs adoption on transparency and accountability

Rapid developments of global events necessitate that both private and public sector institutions address critical issues relating to transparency and accountability. Indeed, transparency and accountability in the public sector imply government answerability to taxpayers, lenders, donors, and other resource providers who have invested their resources, trust, and confidence to persons assigned to appointed or elected positions. According to IFAC (2012), IPSAS represents a unique institutional arrangement through which governments all over the world can and must rely on to protect the general public and other investors in the use of resources entrusted to them. In view of that, the adoption of IPSAS and the application of the associated guidelines and other resources issued by IPSASB have witnessed a rapid global insurgency since its introduction. IPSAS compliant financial reports are said to provide information that facilitates good governance by ensuring greater transparency and accountability in sourcing and utilizing public funds (Babatunde, 2017; IFAC, 2012).

Challenges of IPSAS Implementation in the Nigerian Public Sector

Although the Nigeria Government at the federal level has fully accepted IPSAS since January 2016 (Ugwumadu, 2015), each of the 36 States in Nigeria has its distinct implementation period. With respect to the Financial Reporting Commission (FRC) Act of 2011, the FRC is in charge for establishing IPSAS-compliant framework. The FRC has developed a roadmap for the phased acceptance and implementation of IPSAS at all levels of the Federal Government of Nigeria. The FRC says it hopes IPSAS will help attract foreign investment, improve financial management, transparency, accountability and combat corruption. Nigeria is working to improve financial reporting and accountability, but we need to do more from a best practice perspective. Some government agencies have not relocated to IPSAS as needed (Premium Times, 2016).

Most States have partially adopted the accrual-based IPSAS, but are waiting for the completion of certain financial management information system projects that support full implementation.

Indeed, the Nigerian public sector faces a number of challenges in implementing IPSAS. Some of them are associated with certain accounting issues, such as incomplete and inaccurate records that are not available to determine opening balances and valuation issues for certain types of assets and complex financial instruments (Akinleye & Alaran-Ajewole, 2018). Specifically, the challenges of implementing IPSAS in Nigeria are listed under the following headings:

i. Political-will to implement IPSAS

The level of knowledge and understanding of the IPSAS framework, as well as the level of stakeholder involvement in its adoption, varies considerably from State to State. Public institutions, ministries, legislators, politicians, and the general public are accustomed to the principles of cash accounting (Akhidime, 2012). Successful adoption of IPSAS requires the understanding, education and participation of key stakeholders such as politicians, auditors, accountants, state-owned banks and ministries. This is difficult and government executives need to participate in auditing and financing functions with the public accounting committee (or equivalent) to support the process.

ii. Cost of Implementation

Nigeria has decided to adopt IPSAS for all government agencies on the same day as International Financial Reporting Standards. Therefore, resources were insufficient and the initial consultation cost was high. Implementation costs (finance and resources) are underestimated from a financial and auditing perspective. The implementation cost was enormous. This includes training, the use of specialized external consultants, IT updates, and the cost of developing appropriate translation and guidance tools. All Nigerian states have adopted IPSAS in conjunction with a broader financial management improvement program that requires additional investment (FAAC, 2020).

iii. Expertise Availability

The need to train staff on the standards and systems used was greater than expected, and the public sector lacked relevant knowledge and skills, requiring manuals to be developed. As a result, most Accountant General Offices across the country lack competence, experience and skills, and as a result, offices do not regulate accounting policies or guidelines.

FAAC (2020) also identified that the accounting of some States that implemented IPSAS was not fully compliant with IPSAS. That is, government guarantees and debt are undervalued. Resources and liabilities are not properly accounted for.

iv. Statutory Adjustment

The challenge of structural reforms to address the implementation of IPSAS is a major challenge. Legal amendments, new regulations and government practices are needed. It is complex, time consuming, and varies from State to State. Government standards bodies and funding committees must take responsibility for reviewing and reflecting country-specific interpretations and applications. Most States have chosen to introduce advanced cash standards as a useful milestone for the full implementation of IPSAS. The implementation plan does not fully reflect the constitutional, national, state and local conditions. Other issues include lack of project management and defined milestones, lack of legislative framework to implement IPSAS, and lack of resources and investment in processes.

v. Institutional Commitment

The issue of compromise from most Nigerian state governments further paralyzed the full implementation of IPSAS. Nigeria began implementing accrual-based IPSAS in 2016, and since then some lessons have been learned and challenges have been identified. From the process to the present, most government accounting contains errors, some of which were years old. IPSAS based computer information system is required. In most cases, State governments have adopted standards consistent with cash-based IPSAS without announcing their commitment to adopt IPSAS on an accrual basis (FAAC, 2020).

Theoretical Review

Principal-Agent Theory

Ross and Mitnick proposed independently the creation of agency theory in 1972 (Ross, 1974; Mitnick, 2006). Efobi and Bwala (2013) argued that the seminal works of Meckling and Jenson (1976) and Fama and Jensen (1983) have been widely attributed to propagate the agent-principal relationship (Agency Theory). This theory opines that there are times when conflict arises between the principal (providers of capital) who in this study depicted the tax payers and the agents (managers of capital) Public office Holders, such that the principal requires the agents to effectively and efficiently utilize the resources committed into their hands. Meanwhile, the agents pursue their personal interest at the expense of the principal interest. As a result of this, there exists conflict of interest (agency problem). Consequently, the public is demanding more accountability from their elected officials through qualitative financial reports of their activities. This is in contrast to stewardship theory that states that managers, if left on their own, will indeed act as responsible stewards of the assets they control.

Stewardship Theory

According to Donaldson, (1990), stewardship theory holds that there is no conflict of interest between managers and owners, and that the goal of governance is to find the mechanisms and structure that will facilitate the most effective coordination between the principal and their agent. Hence, this study relates the two theories to drown out the relationship between the providers of funds (Principals) and the government officials (agent) whose public resources are entrusted into their hands in order to empirically evaluate if IPSAS adoption has improved public sector financial management in Nigeria.

Empirical Review

Mhaka, (2014) examined IPSAS, A guaranteed way of quality government financial reporting; a comparative analysis of the existing cash accounting and IPSAS Based Accounting Reporting. The study was aimed at examining the cost benefit of IPSAS adoption in Zimbabwe by way of comparing the existing cash accounting basis with the proposed IPSAS based accounting reporting. The study adopted a well qualitative method of reviewing and analyzing of relevant discourse, publications, and documentary materials from some professional accounting organizations. Findings shown that IPSAS adoption enhances and improves the quality of public sector financial information, assets managements and the level of accountabilities of government reporting; thereby increasing the confidence of both domestic and foreign donor organizations to make financial assistance available for public sector entities.

Shehu, and Adamu (2014), explored the challenges of first time adopters of International Public Sector Accounting Standards (IPSAS) in Nigeria. Their research was more of qualitative review of the pre-IPSAS adoption. Their findings revealed that, first time adopter will be expecting to comply with the requirement of the standard when switching to IPSAS. Also, the challenges include it is time consuming as well as resources need to be provided in order to carry out seminar and workshops for those who dealt with financial matters of an organization.

Nkwagu, Uguru and Nkwede (2016), examined the implications of international public sector accounting standards on financial accountability in the Nigerian public sector: Their study adopted survey design and administered questionnaires on a sample of 314 out of 1458 Accountants and Internal Auditors in the ministries of finances of south Eastern states of Nigeria. The data was analyzed using descriptive statistics. Hypotheses formulated were tested using one-way ANOVA model via Prism GraghPad at 5% level of significance. Their Findings unveil that IPSASs adoption enhances accountability in the Nigerian public sector as the standards pave way for improved management of public funds. It further showed that application of IPSASs paves way for effective budget implementation and checks for possible cases of corruption in the Nigerian public sector.

Ademola, Adegoke, and Oyeleye, (2017), evaluated the impact of International Public Sector Accounting Standard (IPSAS) on the financial accountability of selected local governments of Oyo State, Nigeria. Their study which adopted survey design collected data using five-point likert-scale questionnaires which was administered on sample of 105 Accountants and Internal Auditors in some selected local governments of Oyo State Nigeria. The data was analyzed using descriptive statistics. The hypotheses formulated were tested using chi-square analysis at 5% level of significance. The result of the study showed that adoption of IPSAS increases the level of accountability, transparency and reduces corruption in the selected local governments.

Methodology

The study adopted a descriptive survey research design because it helps in obtaining similar information from various groups of persons through the use of an administered questionnaire. The population covered all the staff of Ogun State Accountant General's Office (188 staff); out of which 50 staff was selected as the sample size and this was achieved through random sampling technique. A close ended questionnaire was used to elicit the needed information from the respondents and the necessary validity and reliability of the instrument were done accordingly to authenticate the items on the questionnaire. Data generated from the respondents was analyzed through simple regression and mean and standard deviation. Simple regression was used to analyze the first objective while mean and standard were used to analyze the second objectives. The regression model was specified below:

Where:

IPSAS= International Public Sector Accounting Standards

FINMAN = Financial Management

α_0 = constant of the equation

α_1 = coefficient of the predictor variable

U=Stochastic Error Term

Results and Analysis

Dependent Variable: FINMAN

Model	Coefficients	Std. Error	R	R2	F	Prob
Constant	1.48	0.444	0.335	0.112	18.189	0.000
IPSAS	0.445	0.104				

Source: *Authors' compilation (2024)*

Table 1: Simple Regression

In the table above, the R-square, which showed the overall explanatory power of the model, revealed that the independent variable explained about 11.2% of the systematic variation of the dependent variable. The overall fitness of the model as shown in the F statistics of 18.189 with a probability of 0.04 was statistically significant as it was lesser than the standard critical p-value of 0.05. This, therefore call for the rejection of the null hypothesis. Hence, there is a significant effect of IPSAS on the public sector financial management in the Nigerian Public sector.

Mean and Standard Deviation Analysis

S/N	Items	Mean	Std. Deviation	Remarks
1.	Excessive costs associated with tracking and identifying government tangible assets	3.14	0.702	Agreed
2.	Implementation of IPSAS comes with a lot of difficulties in reconciling budget and financial statement information	2.98	0.804	Agreed
3.	Consolidation issues in respect of elimination of all inter-agency transactions and balances	2.89	0.838	Agreed
4.	Lack of qualified Accountants to adequately carryout the changes in IPSAS as opposed to	2.98	0.884	Agreed

	the financial reporting frame work currently existing in Nigeria			
5.	Some terminologies used in IPSAS could not be applied to country's financial reporting system due to some uniqueness	2.83	0.993	Agreed

Table 2: Responses of the Respondents on the Challenges of IPSAS

The analysis above revealed that the respondents unanimously agreed that excessive costs associated with tracking and identifying government tangible assets; a lot of difficulties in reconciling budget and financial statement information; consolidation issues in respect of elimination of all inter-agency transactions and balances; lack of qualified accountants to adequately carryout the changes in IPSAS as opposed to the financial reporting frame work currently existing in Nigeria and some terminologies used in IPSAS that could not be applied to countries financial reporting system due to some uniqueness that constituted the challenges of IPSAS in Nigeria with mean and standard deviation of 3.14 and 0.702; 2.98 and 0.804; 2.89 and 0.838; 2.98 and 0.884 and 2.83 and 0.993 respectively.

Discussion of Findings

Major in the discovery made was that there is a significant effect of IPSAS on the public sector financial management in Nigeria. This implies that IPSAS has paved the way for transparency and probity in Nigerian public sector. The corollary of this finding is that IPSAS could positively influence fund management in the Nigeria Public sector when used by qualified Accountants. Hence, it should be used by all government parastatals and institution in a bid to achieve efficiency of operations, effectiveness of public officers and drastic reduction in the corruption and mismanagement level among public officers. This finding corroborated the findings of Ademola, Adegoke, and Oyeleye, (2017); Shehu, and Adamu (2014) and Mhaka, (2014) Their Findings unveil that IPSASs adoption enhances and improves the quality of public sector financial information, assets managements and the level of accountabilities of government reporting; thereby increasing the confidence of both domestic and foreign donor organizations to make financial assistance available for public sector entities; and that it application paves way for effective budget implementation and checks for possible cases of corruption in the Nigerian public sector.

It was also discovered that excessive costs associated with tracking and identifying government tangible assets; difficulties in reconciling budget and financial statement information; consolidation issues in respect of elimination of all inter-agency transactions and balances; lack of qualified accountants to adequately carryout the changes in IPSAS as opposed to the financial reporting frame work currently existing in Nigeria and some terminologies used in IPSAS that could not be applied to countries financial reporting system due to some uniqueness constituted the challenges of IPSAS in Nigeria. This outcome was in line The results is collaborated with Roje, Vasicek and Vasicek (2010) and Ofoegbu, (2014), their results showed that the level and changes of public sector accounting systems in most countries were dependent on their peculiar natures that ought to be looked at when implementing the standards pointing out that most of the countries experienced one challenge or the other in their attempts to implement the standards.

Conclusion and Recommendations

Based on the findings of this study, it was concluded that IPSAS significant influences public sector financial management in Nigeria and that the challenges of Nigerian public sector are costs associated with tracking and identifying government tangible assets; difficulties in reconciling budget and financial statement information; consolidation issues in respect of elimination of all inter-agency transactions and balances; lack of qualified accountants to adequately carryout the changes in IPSAS as opposed to the financial reporting frame work currently existing in Nigeria and some terminologies used in IPSAS that could not be applied to countries financial reporting system due to some uniqueness that constituted the challenges of IPSAS in Nigeria. It was therefore recommended that government should employ professional Accountants; government at all levels; should as a matter of necessity embark on continuous training and retraining of accounting personnel who are charged with the responsibilities of preparing the accounts in order to maintain and sustain enhanced credibility of financial reporting and management by the public sector entities and that the Federal Government should enact an enabling law to back up the adoption and implementation of IPSAS and more importantly institute appropriate sanctions to ensure full compliance.

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Implications of Business Resilience on Financial Sustainability of Small and Medium Scale Enterprises (SMEs) In Nigeria

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ABSTRACT

Business resilience includes the capacity of an enterprise to adapt and adjust to a new environment and new circumstances. This study examines implications of business resilience on financial sustainability of small and medium scale enterprises (SMEs) in Nigeria. Hence, product diversification and market diversification (exploration of new market) are used as the elements or strategies of business resilience, while net profit margin measures the financial sustainability of SMEs. A sample size of 327 registered SMEs was purposively selected from a cluster of population of 1794 registered SMEs across different economic sectors in Ogun State. Questionnaire was used as a method of primary data collection, designed on a 5-point Likert scale system and were analyzed using a simple regression statistic enabled by SPSS version 22. Findings from the study revealed that market diversification element has a more significant impact on net profit margin of SMEs financial sustainability than product diversification with coefficients of $\beta_1 = 0.187$ *and* $\beta_2 = 0.742$ *respectively at p-value<0.000 at 5% level of significance. It was concluded that both product diversification and market diversification are significant resilience factors that enables SMEs financial sustainability through a positive net profit margin and thus could assist operators to adapt into new business environment created by the current economic contingencies. Hence, market diversification is more resilient in promoting operators' net profit margin towards achieving financial sustainability than product diversification. It is therefore recommended that government should provide enabling environment for SMEs by providing positive economic policies that will guarantee financial sustainability towards ensuring business survival and sustaining their net profit margin during and after this current economic turbulence.*

Keywords: *Business Resilience, Product Diversification, Market Diversification, SMEs' Financial Sustainability, Net Profit Margin.*

1.0 INTRODUCTION

1.1 Background to the Study

Considering the situation of the Nigerian economy where costs of running businesses are unstable and uprising each day with the government feeling unconcerned towards creating a friendly business environment that would encourage businesses, particularly small and medium scale enterprises (SMEs) at running profitable ventures. As a result, many of these SMEs are left with no choice than closing down because of the high costs of running their businesses whereby some of them are operating at losses; even the few ones in business are exposed to a lot of risk, inadequate access to credit facilities, high interest charge on finance, stiff competition, low demand from customers and poor sales due to hike in prices of goods sold alongside many other factors. In view of these challenges, small businesses need to be resilient in their approach to running businesses in this current tough economic situation in Nigeria. Therefore, an average SMEs operator must be self-determined, intelligent, focused and risk-averse in order to record a reasonable level of success.

SMEs are mainly private enterprises owned and controlled by individuals with responsibility of producing goods or rendering services in order to make profit. According to Sanusi, Egunjobi and Oladeji (2019), SMEs are economic and commercial activities which can be found in almost all sectors of the economy of any country, particularly in Africa. Small-scale enterprises represent those businesses whose operators are innovative in their ideas, integrate business resources, enthusiastic and determined, systemic and flexible, strategic and futuristic, transformative and productive (result-oriented) and calculative in terms of risk assessment. It must be understood that businesses classified under SMEs vary from one country to another, and across the world. Sanusi, Egunjobi and Oladeji (2019) stated that the predominant criteria in identifying and classifying SMEs across the globe include size of capital employed, staff strength, level of sales turnover and value of assets (Oladimeji & Muhammed, 2017; Ezeh, 1999). In terms of the strength or number of employees, Ojeka and Mukaro, (2011) described SMEs as one having between 50 and 100 employees, while others have less than 200 employees (Oladimeji & Muhammed, 2017).

In Nigeria, small-scale enterprises as defined by SMEDAN (2005) include businesses with ten to forty-nine people with annual turnover of five to forty-nine million naira, however medium-scale enterprises as those with fifty to one hundred and ninety-nine employees having a turnover of fifty to four hundred and ninety-nine million naira per annum (Sanusi, Egunjobi & Oladeji, 2019). Oladimeji and Muhammed (2017) wrote that the Federal Government of Nigeria in 1990 considered the need for commercial loan as important criterion, thus defined small-scale enterprises as those businesses that have capital invested not more than #2million (excluding cost of land) or a minimum of #5million (Aremu & Adeyemi, 2011).

1.2 Statement of the Problem

Little is known from the literatures about the challenges and the strategies that could be adopted by small and medium-scale enterprises (SMEs) for sustainability in responding to the current economic situations in Nigeria. SMEs are mainly private enterprises owned and controlled by individuals with responsibility of producing goods or rendering services in order to make profit (Sanusi, Egunjobi & Oladeji, 2020). Besides, many descriptions and definitions of SMEs have been given from the literatures, unfortunately, it is doubted if these opinions about SMEs according to staff strength, value of assets, capital employed and sales volume can still hold water or remain the same specifically in the current economic realities in the country where naira is devalued, purchasing power is next to zero, prices of goods or services is unstable, inflation rate is fast increasing each day, and the interest rate is above the roof. Therefore, due to the complexity of current business environment, social and economic challenges across all economic sectors, unemployment and sudden job cuts, supply chain disruption, de-globalisation and economic lockdown; there is need to embark on this study in order to improve on previous research findings and thus unlock the possible strategies that could be adopted by SMEs operators in Nigeria to remain resilient, competitive and sustain the current economic turbulent, thereby focusing on product diversification and market diversification elements towards achieving value creation for SMEs sustainability at this critical time.

1.3 Objectives of the Study

The main objective of this study focuses on the impact of business resilience on SMEs' financial sustainability in Nigeria. Specific objectives of the study are to:

(i) examine the impact of product diversification element on net profit margin of SMEs in Nigeria.

(ii) examine the impact of market diversification element on net profit margin of SMEs in Nigeria.

1.4 Research Questions

Below are the research questions:

(i) What is the impact of product diversification element on net profit margin of SMEs in Nigeria?

(ii) What is the impact of market diversification element on net profit margin of SMEs in Nigeria?

1.5 Research Hypotheses

Ho_1: There is no significant impact of product diversification element on net profit margin of SMEs in Nigeria.

Ho_2: There is no significant impact of market diversification element on net profit margin of SMEs in Nigeria.

2.0 LITERATURE REVIEW

2.1 Review of Conceptual Literature

The current economic situation in Nigeria today is having an unprecedented impact on the way small and medium-scale businesses operate; however, the unpredictability of the economy has provided SMEs operators the opportunity to have a renewed thinking on their purposes, values and new ways of doing things around their businesses. This new way of doing business by the small business operators amidst multiple simultaneous challenges in order to resist, adapt, survive and maintain routine basic services during these challenges and gain balance after such hurdles, as if nothing had happened can be referred to as resilience. Hearnshaw and Wilson (2013) contended that resilience refers to the ability of an organisation to perform its functions and return to a stable state after major disturbance taking into consideration during and after the unpleasant situation. In other words, resilience can be said to be a reinstatement of an organisation or an enterprise to a steady state or condition after the experience of economic imbalances as if it were not occurred.

According to McAslan (2010), resilience is about ensuring that an enterprise is still able to achieve its core objectives in the face of adversity, before and after. Resilience suggests concepts of awareness, detection, communication, reaction, recovery and the willingness and capacity to adapt to changing situations. Businesses can become resilient to challenging risks or attacks by absorbing disturbances, overcome stress through resistance or adaptation; perform its usual business functions during and after the attack. This absorption or adaptation becomes possible through better innovation and creativity (Maguire & Cartwright, 2008). From this viewpoint, resilience involves a rejection of the status quo or a return to the pre-event situation which may leave the organisation to next equally vulnerable attack. Hence, Hamel and Valikanga (2003) opined that resilience is the ability to dynamically reinvent business models and strategies as circumstances around the business change.

At this time in Nigeria, businesses need to be prepared by building resilience in order to withstand any vulnerability or unforeseen attacks that may befall them during this economic crisis. Connell (2011) stated that recovery from crises is never entire and complete, particularly in SMEs due to their resource constraints and relatively weak market positions (Hong & Li, 2012; Corey & Deitch, 2011). In other words, few SMEs could survive the current economic crisis because they are prepared while others failed outrightly due to unpreparedness, competition, lack of innovativeness, new technologies, legislative requirements or government laws. Conversely, business resilience is advantageous to organisations and SMEs at large; it increases awareness of an organisation within its operating environment, ability to respond swiftly to threats or challenges, assists enterprises to identify its vulnerabilities, afford organizations multiple capabilities and thus empower entrepreneurs to set priorities towards realizing business continuity and emergency management planning aiming at sustainable future (McManus, 2008).

The World Council for Economic Development (WCED) defined sustainability as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. In this sense, sustainability can be regarded as an approach to creating true and real value to the systems and resources upon which that value depends on. In his own idea, taking this further, business sustainability can be said to be a process of analysis and decision making across business functions, obtained through a committed and clear understanding of transitions that may occur in the present or the future. According to Nidumolu, Pralahad and Rangaswami (2009) and Willard (2012), sustainability may become an integral part of the business strategy and operations only if the company overcomes the different challenges at each stage of the process for sustainability and develop new capabilities to tackle these challenges. Nidumolu, Pralahad and Rangaswami (2009) proposed five stages process of sustainability which are compliance, sustainable value chain, design of sustainable goods and services, development of new business model and creation of next-practice platforms.

Furthermore, business sustainability is about ensuring that the business does not lack the required resources (whether human or material) it needs in order to thrive. In other words, business sustainability is when a business does not only take a short-term view of profit, but also a long-term approach operating in such a way that it is profitable now and, in the future, even though it may not be maximizing its profits) because it is using its resources well, has hedged its risks and can take any shocks that may occur. Sustainability is the ability of a system to maintain a well-defined level of performance over time and if required, to enhance output without damaging the essential ecological integrity of the system. In all, the concept of sustainability focuses on developmental efforts that are aimed at protecting the health and the environment of the future generations in such a way that will not frustrate the ability to meet their own needs.

The Concept of Product Diversification

Product diversification can be referred to as the addition of new products to existing products either being manufactured or being marketed (Njuguna, Kwasira & Orwa, 2018). This concept can also be defined as the development of a firm beyond the present product and market, but inclusive of the broad confines of the industry value chain (Oyedijo, 2012). Product diversification could also mean a strategy for small and medium enterprises to expand their operations in order to maximize their profits. Hence, product diversification can be classified into related and unrelated (Kim *et al*., 2009). According to Thompson et al. (2005), related product diversification is a strategy involving businesses whose value chains competitively cut across other businesses having almost the same strategic value chain. This idea is buttressed by Marangu, Oyagi, and Gongera (2014) that the strategic fits exist whenever value chain activities of different businesses are sufficiently similar to that of the present opportunities of the diversifying firms.

Collins and Montgomery (2008) further explained that related product diversification involves building shareholders' value by capturing cross business strategic fits. In other words, related diversification represents the opportunities of a subsidiary business that benefits from access to core competencies of the parent company (Pearce & Robinson, 2010). For this reason, related diversification becomes favourable to most companies mainly to allow them explore synergies such as transferring valuable expertise, technological knowhow, or other capabilities from one business to another. Meanwhile, synergies is the combination of related activities of separate businesses to achieve lower costs, exploiting common use of a well-known brand name and cross-business collaboration so as to create competitively valuable resources, strengths and capabilities; use of common sales force to call on customers, advertising related products together and joint delivery (Njuguna, Kwasira & Orwa, 2018).

Johnson and Scholes (2005) contended that unrelated diversification is the pursuit of opportunities beyond the present product and market base of a firm outside the present industry. Unrelated diversification strategy is an important component of the strategic management of a firm, and the relationship between a firm's diversification strategy and its economic performance a considerable interest to managers and academicians (Kotler & Armstrong, 2008). Businesses are said to be unrelated when their value chain are not similar, hence no competitive valuable cross-business relationships exist.

An unrelated diversified company has, under a single corporate umbrella, more than one business unit which operate their activities in different industries. Different from related diversification, unrelated diversification has no value chain similarity with existing companies or firms with no real potential available for transfer of skills, technology or other resources from one business to another. Many small business firms may decide to diversify into industries or businesses that have good profit opportunities (Thompson, Strickland & Gamble, 2005). In most cases, firms that pursue unrelated diversification always acquire an established company rather than forming a subsidiary.

Concept of Market Diversification

Market diversification is simply a strategy of selling existing products in new markets. It could include exporting goods to overseas markets or selling to a new market segment.

Concept of Financial Sustainability

Finance theory explained financial sustainability as the provision of financial independence (Rymanou, 2010). It is the ability of an organization to operate with a positive net income and growing net asset after deducting its total liabilities from its total assets (Nalwoga, 2021). Financial sustainability is an interaction between the economic and financial positions of an organization towards maintaining a foreseeable future by creating, allocating and utilizing available funds.

In Nigeria, SMEs need financial sustainability because many of them lack financial strengths to withstanding the current economic imbalances, as a result could not cater for their short-term business demands and commitment due to lack of adequate funding. Akeel et al. (2019) stated that financial sustainability is the potential of a firm to manage its short-term and long-term financial capability while offering the required level of service delivery. In this regard, financial sustainability should assess the financial status of small businesses. In this study, financial sustainability refers to the financial strength of SMEs or the position of net assets of SMEs available to cater for their short-term obligations as at when needed. In all, this study views that SMEs in Nigeria should have adequate finance and working capital to manage their businesses and thus remain resilience in these current unfavourable economic conditions that are bewailing the country.

2.2 Theoretical Framework

In view of the research constructs under study, the following theories which are relevant to the study are outlined below:

(i) Lewin's Theory of Complexity

Lewin's theory of Complexity was introduced by Lewin, in 1943 explaining the resilience process. The theory suggested that humans are organisms that can interact and make decisions involving change in multiple ways. A result of the interaction between them mutually affects one another. According to the theory, corporate leaders need to adapt their people and organizations accordingly to ensure corporate sustainability. Considering the resilience practice, the complexity theory explained that corporate leaders should prepare their organizational members for changes and transform them into interactive agents to encounter with emergent problems and issues. Put differently, this theory advocated that organizations' members are adaptive agents in complex systems are medium of information and knowledge transmission. Moreover, it is believed that accumulation of information and knowledge by individual members of organization through learning can lead to organizational development by increasing organizational capacity to deal with challenges from internal and external environment, thereby enhancing corporate sustainability. This theory is relevant to this study since it will enable SMEs operators in Nigeria to understand the current emerging economic problems and how they affect their businesses, hence tackle them to achieve sustainable operations.

(ii) Knowledge Management Theory

As a virtue underlying the Sufficiency Economy philosophy, sharing can be considered as an act to give and receive (Belk, 2010). It is related to passing on feelings, experiences, ideas, or knowledge (John, 2013). In the corporate sustainability context, sharing primarily means sharing knowledge internally among organizational members and externally with stakeholders (Kantabutra, 2019). In the literature on sustainable enterprise, Avery (2005) contended that knowledge sharing is a must, as it leads to organizational innovation. Like in any other sized sustainable business, innovation drives sustainable competitive advantage for SMEs (Taneja, Pryor & Hayek, 2016).

At times, revolutionary thinking via knowledge sharing is needed to achieve innovation, although innovation can also be achieved through the way through which a business executes its strategies. With the strategies, small businesses should integrate sustainability with their framework of strategic planning (Taneja, Pryor & Hayek, 2016) to align economic, environmental and social value for future generations. In successfully executing the strategies, knowledge exchange within an organization and outside the organization with external stakeholders is unavoidable.

Internal knowledge sharing, as an interactive process demanding knowledge, experiences, and skills of organizational members, assists corporate leaders to identify best practices, and promotes new ideas and organizational learning (Cummings, 2004). In theory, managing knowledge leads to the integration of multidisciplinary knowledge (Demsetz, 1991). When Knowledge-based theorists mention the word "knowledge", they mainly mean implicit knowledge held in employees' heads, extremely unique and difficult to imitate or acquire as it is firm-specific, experience based and part of unique corporate processes and routines. Therefore, implicit knowledge, if well managed, leads to long-term, sustainable competitive advantage.

(iii) **Dynamic Capability Theory**

Dynamic Capabilities theorists (Eisenhardt & Martin, 2000) emphasized that an enterprise needs to always renew its external and internal knowhow and competencies in response to the often-abrupt environmental changes (Barreto, 2010) to maintain its own sustainable competitiveness. As explained by the knowledge management theory (Tzortzaki & Mihiotis, 2014), new knowledge is to be developed via deliberate sharing of knowledge within and between enterprises, and with external stakeholders (Tzortzaki & Mihiotis, 2014). By doing so, corporate efficiency is improved, positively affecting industry position as the sharing enterprises work more intelligently in the industry. Knowledge enterprises enhance communication and synergy between knowledge workers. They ensure these knowledge workers whom they view as assets stay to continue to contribute to corporate success.

2.3 Review of Related Empirical Literatures

Ayala and Manzano (2014) empirical study tested the hypothesis that the resilience of an entrepreneur is correlated with the growth of their business, and finds a positive association. They find that resilience has predictive validity, and that entrepreneurs that score highly for resilience characteristics are likely to run successful business that grows over time. This changes with the work of Powell and Baker (2011) who argued that an SME's resilience is strongly correlated with its resourceful behaviours, which they define as actions that ensure the best use of limited resources, and which are shaped by the commitment of the leader to the business and its success.

Conz, Denicolai and Zucchella (2017) found that SME resilience is linked to the ability of the leader to select and implement a range of strategies, depending upon the environment and circumstances they encounter. While sticking to one strategy can minimize risk in stable times, in a turbulent environment, the ability to be flexible and to adapt the strategy offers the organisation the best chance of survival. Strategic diversity is thus advanced as the key to SME resilience.

Bamiatzi and Kirchmaier (2012) attributed resilience in small businesses to a tendency for their leaders to respond to challenging trading environments by embracing higher risk strategies like product innovation rather than the more prosaic retrenching approaches. Baron and Markman (2000) pointed to the influence of the social capital and social skills of the leader in influencing the success of entrepreneurial businesses. Social capital is the actual and potential resources individuals obtain from knowing others, being part of a social network with them, or merely from being known to them and having a good reputation' and it is underpinned by social skills, including the ability to read others, and to impress and influence them. It is the combination of social capital and social skills in the leader that is crucial in influencing business success, because while social capital is likely to deliver contacts and opportunities, social skills shape ongoing relationships which are key to business success.

Fisher, Maritz & Lobo (2016) found that entrepreneurs exhibit high levels of resilience compared to the general population, and that resilience is a predictor for entrepreneurial success at the individual level. However, they find no significant relationship between individual resilience and business success. For Bernard and

Barbosa (2016) resilience is a process that occurs in some individuals rather than a trait present in them. On their account, the resilience process unfolds over time, often provoked by a traumatic event early in life, and encouraged by interactions with others as the individuals strive to overcome the trauma. Eventually, the resilience process itself can become a trigger for the individual's entrepreneurial ambitions. In this way, resilience is presented as a precursor of entrepreneurship, indeed the authors talk of 'those resilience mechanisms that may potentially contribute to the transformation of a difficulty or a displacement into an entrepreneurial act' (Bernard & Barbosa, 2016). This notion offers a fresh perspective on the relationship between an organisation's resilience and that of its leader, with the contention that resilient individuals are naturally inclined towards entrepreneurial endeavour. This resonates with the work of De Vries and Shields (2006) who identify flexibility, motivation, perseverance and optimism not as traits, but rather as behavioural patterns which result from life experiences. They asserted that these behaviours are present in entrepreneurs, underpinning their personal resilience but also 'the propensity for resilience in their business activity. In this way, the link between the individual resilience of the entrepreneur and the resilience of their organisation is advanced.

Phung and Mishra (2016) did a study on the impact of corporate diversification on firm performance of listed companies in Vietnam over a period between 2007 and 2012. The findings revealed that corporate diversification had a negative effect on the firm performance. Further, the findings also revealed that lack of a corporate governance system which is efficient may encourage firms to follow diversification strategies which would impair the firm's performance.

George and Kabir (2008) investigated on the relationship between corporate diversification and performance of 607 Indian firms listed on the Bombay Stock Exchange revealed that, at first sight, diversification strategies of firms appeared to lower firm performance. The result supported prior studies documenting a 'diversification discount'. However, when the authors turned their attention to distinguishing features like the organizational structure and corporate governance of these firms, the results revealed that diversification strategies of independent firms significantly lowered the firm profitability whereas those of firms that were affiliated to business groups had an insignificant impact on firm performance. The results indicated that performance as measured in terms of turnover growth, net profit, return on sales, return on equity and return on assets increased in line with increase in diversification from 2000 to 2004.

Findings of a study by Jung and Chan-Olmsted (2005) on media conglomerates revealed related product and international diversification contributed to better financial performance of the media conglomerates. The researchers also noted that excessive diversification which led to high degree of unrelated diversification would decrease the performance.

3.0 RESEARCH METHODOLOGY

3.1 Research Design

The study examined the relationship between business resilience and financial sustainability of small and medium scale enterprises (SMEs) in Nigeria. The study is quantitative in nature and therefore adopted the survey research design. This method provided answers to the formulated research questions; hence a cross sectional survey was used because the target respondents (SME Operators) were dispersed across different economic sectors in Ogun State.

3.2 Population

The population of the study consists of the total 1794 registered SMEs in Ogun State (SMEDAN, 2013). This population figure comprises a registered number of 1690 small enterprises and a registered number of 104 medium enterprises in Ogun State, being the latest statistics specified on Small and Medium Enterprises Development

Agency of Nigeria (SMEDAN website, pg. 39). Moreover, the study considered in its selection, SMEs from various economic sectors such as agriculture, real estates, hotel and hospitality, education, food and beverages, manufacturing and construction, wholesale and retail, private oil and gas, transport and tourism, information and communications, private banking and insurance, arts, entertainment and recreation, as well as human health and social work sector and other services. However, the study is limited to Ogun State as a relevant representation of the entire Nigeria State since the entire population frame would be too large for the study and for the purpose of data control.

3.3 Sample Size and Sampling Procedure

The sample size is 327 target respondents selected from the entire population size. This sample size was determined using a Taro Yamane's sample size determination method. The study adopted a non-probability cluster sampling because the target respondents were distributed across different economic sectors and geographical areas within the state. Thus, a Taro Yamane's sample size determination formular was stated below:

$$n = \frac{N}{1 + N(e)^2}$$

Where, n = sample size

N = population size

e = level of significance

1 = constant

3.4 Sources and Method of Data Collection

Specifically, the study adopted a primary source of data collection where a structured questionnaire was used as a method of collecting relevant data from the target respondents. This method provided the researchers with the opportunity of getting a first-hand information from the target respondents regarding the research variables and constructs.

3.5 Research Instrument

The study employed a well-structured closed-ended questionnaires. Closed-ended questionnaires were used since the target respondents were asked to select response(s) from designated structured choices of questionnaires. Hence, the questionnaires were self-administered on a 5-point Likert scale and were administered via email to the target respondents in different considerable economic sectors through survey website. The adoption of self-administered mail questionnaires was borne out of the fact that the target respondents were dispersed across different geographical areas and to save costs and time of meeting each of them at their convenient different points in time on a one-on-one basis. As a result, mail questionnaire was considered appropriate for this study.

3.6 Method of Data Analysis

Business resilience was measured by product diversification and market diversification elements, while financial sustainability was proxied by the net profit margin of SMEs. In the study, regression statistics was used to ascertain the implications of explanatory variables on dependent variable, by validating the formulated hypotheses in the study.

4.0 DATA ANALYSIS AND TEST OF HYPOTHESES

4.1 Hypothesis Testing:

Ho_1: There is no significant impact of product diversification element on net profit margin of SMEs in Nigeria.

Table 1: Regression Result showing the Impact of Product Diversification Element on Net Profit Margin of SMEs in Nigeria.

Item	Constant	N	Standardized Coefficient	t-cal	t-tab	Sigf.
Product Diversification element	-0.377	26	0.742	13.48	2.06	.000
Adjusted R-square	0.548					

Dependent Variable: SMEs' Net profit margin

Source: Researcher's field survey, 2024 (SPSS Output, version 22).

Interpretation of Result:

Table 1 shows the result of the regression analysis of the impact of product diversification element of business resilience on net profit margin of SMEs financial sustainability in Nigeria. The coefficient of the model of regression analysis reveals there is a significant impact of product diversification element on net profit margin of SMEs financial sustainability in Nigeria. The result shows that empirical value (t-cal = 2.31) is greater than the critical value (t-tab = 2.06) at $p<0.05$. Hence, a null hypothesis is rejected. This result indicates that product diversification is a significant strategy that can be employed by SMEs operators in Nigeria to remain resilience and survive current economic hardship. In other words, finding reveals that product diversification is an important option that can be used by SMEs owners to survive the current economic situations. The adjusted R-square value of 0.028 reveals that product diversification could enhance business resilience and improve net profit margin of SMEs owners by at least 2.8% towards achieving financial sustainability. Thus, SMEs managers at this time would remain competitive, achieve survival and become financially sustainable if they can diversify their products, and create better value for their numerous customers, thereby improve their net profit margin.

Ho_2: There is no significant impact of market diversification element on net profit margin of SMEs in Nigeria.

Table 2: Regression Result showing the Impact of Market Diversification Element on Net Profit Margin of SMEs in Nigeria

Item	Constant	N	Standardized Coefficient	t-cal	t-tab	Sigf.
Product Diversification Element	6.827	26	0.187	2.31	2.06	.000
Adjusted R-square	0.028					

Dependent Variable: SMEs' Net profit margin

Source: Researcher's field survey, 2024 (SPSS Output, version 22).

Interpretation of Result:

Table 2 shows the result of the regression analysis of the impact of market diversification element of business resilience on net profit margin of SMEs financial sustainability in Nigeria. The coefficient of the model of the regression analysis reveals there is a significant impact of market diversification element on net profit margin of SMEs financial sustainability in Nigeria. The result shows that empirical value (t-cal = 13.48) is greater than critical value (t-tab = 2.06) at $p<0.05$. Hence, a null hypothesis is rejected. This result indicates that market diversification is an important resilience strategy that SMEs owners can employ to cope with current economic challenges in order to remain in business and thus sustain present unfavourable economic conditions in Nigeria. However, adjusted R-square value of 0.548 reveals that market diversification is a significant element that can be employed by SMEs in Nigeria to survive current economic challenges and thus promote their net profit margin by at least 54.8% towards achieving reliable financial sustainability such as the case in Nigeria.

4.2 Discussion of Findings

Findings from the study revealed that there is a significant impact of product diversification element on SMEs net profit margin. In other words, product diversification is a relevant strategy that can assure SMEs owners of achieving financial sustainability in a turbulent economy in Nigeria. This finding aligned with that of Ayala and Manzano (2016), and Fisher et al (2016).

Also, the study gathered that market diversification element significantly impacts on SMEs net profit margin towards becoming financially sustainable in an unstable economy such as Nigeria. This finding is consistent with Phung and Mishra (2016), and Doael, Anuar and Ismail (2015). Thus, market diversification is an unwavering strategy that can be adopted by SMEs owners towards achieving financial sustainability. Put differently, market diversification strategy of business resilience yields a more sustainable net profit margin for SMEs in a challenging economic situation in Nigeria than product diversification.

In all, it can be summarized that both product diversification and market diversification elements of business resilience have positive significant impact on SMEs financial sustainability in Nigeria.

But market diversification is more significant and instrumental towards a for securing financial sustainability by SMEs in Nigeria. Thus, this study declares that business resilience and financial sustainability of small and medium-scale enterprises in Nigeria cannot be underestimated if operators can accept the fact that product diversification and market diversification are critical strategies to remain relevant and sustainable during this economy imbalances in the country.

5.0 CONCLUSION AND RECOMMENDATI ONS

5.1 Conclusion

Following the findings from this study, it can be concluded that product diversification and market diversification are critical strategies for SMEs financial sustainability to remain resilience in the current economic situations. Also, business resilience through market diversification enables SMEs operators to adapt into new business environment created by the current economic insurgencies.

5.2 Recommendations

The study suggests that:

(i) SMEs owners in Nigeria should endeavor to diversify their products or services into another market to enable them survive and remain in business during and after the economic challenges.
(ii) SMEs operators are advised to take reactive measures in adopting the diversification strategies that are best suitable with their line of businesses or core competences.

(iii) Government is advised to provide enabling environment for SMEs by providing positive economic policies that will guarantee financial sustainability towards ensuring business survival and sustain small and medium businesses' net profit margin during and after this current economic turbulent.

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Misinformation, Disinformation, Propaganda and their Impact on National Security: A Study of Ogun State, Nigeria

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Abstract

*This study examined the impact of misinformation, disinformation and propaganda on public perception, social unrest and governance in Ogun State, using Ijebu-Ode Local Government Area as a study. The study utilised **framing theory** and **agenda-setting theory** to contextualise how false information shapes public opinion and influences security. The study adopted **descriptive survey research design**, with a sample size of 399 respondents, including security personnel, government officials, media practitioners, community leaders and residents, selected using purposive sampling. A structured questionnaire was used as research instrument to gather data from the respondents, which were analysed through the use of descriptive statistics. The findings revealed that misinformation erodes trust in security agencies, disinformation fuels ethnic tensions and insecurity and propaganda destabilises governance. The study concluded that public education campaigns, media literacy programmes, fact-checking initiatives and stronger regulations are crucial for combating false information and restoring public confidence in Ogun State. The study's recommendations underscored the need for collaborative efforts between government and media to tackle these issues effectively.*

Keyword: Misinformation, disinformation, propaganda, public perception, national security.

Introduction

In recent years, the growing prevalence of misinformation, disinformation, and propaganda has presented significant challenges to global security. The rapid expansion of digital technologies and social media platforms has created new avenues for the spread of false and misleading information, exacerbating the difficulty in distinguishing fact from fiction. The implications of this phenomenon on national security are profound, as false information can incite violence, manipulate public opinion and destabilise governance structures. This empirical study explores the impact of misinformation, disinformation, and propaganda on national security, with special attention on Ogun State, Nigeria, a state characterised by its diverse socio-political dynamics and rapid technological adoption.

Misinformation refers to the inadvertent sharing of inaccurate or misleading information, while disinformation involves the deliberate dissemination of falsehoods with the intent to deceive (Wardle & Derakhshan, 2023). Propaganda, on the other hand, is often politically motivated, designed to shape public perception and achieve specific ideological or political outcomes (Akintunde & Olagunju, 2023). Although these concepts overlap, their distinct features make them critical variables in the context of national security. Nigeria, like many other nations, has faced challenges related to the spread of such information, particularly during elections, public health crises, and security operations. The porous nature of Nigeria's information environment makes it a fertile ground for external and internal actors seeking to manipulate narratives for political, economic, or social gain (Omoyele, 2023).

Several studies have highlighted the pervasive nature of disinformation and its socio-political impacts. For instance, a recent study by Adeoye and Johnson (2023) observed the role of social media in disseminating false information during the 2023 Nigerian general elections. They found that political actors utilised platforms such as Twitter and Facebook to spread disinformation aimed at discrediting opponents, which, in turn, heightened tensions among supporters and contributed to pre-election violence. Similarly, Adebanjo (2023) argues that disinformation, particularly in ethnically and religiously diverse societies like Nigeria, can exacerbate underlying tensions, leading to unrest and, in some cases, insurgencies. Ogun State, due to its proximity to Lagos and its significant economic role, is not immune to these threats, especially considering the increasing use of digital platforms by its citizens.

Previous research has also underscored the role of external actors in spreading disinformation in Nigeria, particularly in the context of national security. According to findings by Amusan, Phillips, and Ojo (2023), foreign influence operations have been linked to the spread of disinformation in Africa, with Nigeria being a primary target. These actors exploit domestic vulnerabilities, such as ethnic divisions and economic instability, to undermine national security and governance. This is consistent with global trends, as noted by international scholars such as Harding (2023), who identified similar tactics being employed in other developing nations, aiming to weaken democratic institutions and fuel internal conflicts. Ogun State, with its diverse population and vibrant economic landscape, presents a microcosm of the broader Nigerian experience.

The rapid spread of misinformation and disinformation is further exacerbated by the limited media literacy of the population. In Ogun State, like many other parts of Nigeria, a significant portion of the population relies on social media and informal news sources for information (Olawale & Adeola, 2023). This reliance, coupled with the limited capacity of traditional media to verify and counter false information in real-time, has made the public more susceptible to misinformation. The economic and social pressures within the state further amplify the ease with which propaganda can sway public opinion, potentially leading to unrest and undermining public trust in government institutions (Okunola, 2024).

Additionally, the challenges faced by security agencies in managing the spread of false information have been well documented. Lawal (2023) discusses how the Nigerian government has struggled to combat the proliferation of disinformation, noting that the legal and institutional frameworks in place are inadequate for addressing the complexities of the digital age. The absence of clear policies governing digital content, combined with the slow pace of legal reforms, has left a gap that malicious actors exploit. This has direct implications for national security, as unchecked misinformation can quickly escalate into security threats, particularly in politically charged environments.

In light of these developments, Ogun State presents a compelling case for examining the intersection of misinformation, disinformation, propaganda and national security. The state's socio-political landscape, economic significance and digital adoption make it a microcosm of the broader Nigerian experience with these issues. This study, therefore, aims to provide empirical insights into how these forms of information manipulation affect national security in Ogun State, with a particular focus on recent incidents that have highlighted the vulnerabilities in the state's security apparatus.

Statement of the Problem

The proliferation of misinformation, disinformation, and propaganda in Nigeria, particularly in Ogun State, poses significant challenges to national security. While various studies have examined the role of false information in fuelling political instability and unrest, there is a lack of specific, localised research that empirically explores the direct impact of these phenomena on the security of states within Nigeria. Ogun State, given its strategic location and diverse population, is particularly vulnerable to these threats, yet there remains a gap in understanding how these factors contribute to the destabilisation of governance structures and public trust in the state. This study seeks to address these critical issues by focusing on how misinformation and propaganda influence the state's socio-political and security dynamics, an area previously underexplored in national discourse.

Moreover, previous studies have often focused on the general effects of misinformation on political processes such as elections, without adequately considering the long-term implications for national security (Ayinde & Abiola, 2023). While some research has highlighted the role of social media in disseminating false information, there has been limited analysis of how these information distortions weaken security systems, particularly in Ogun State (Balogun, 2023). This study aims to fill this gap by investigating the specific ways in which misinformation and propaganda affect public perception of security agencies, as well as how they contribute to social unrest and insecurity in the state. By doing so, the research intends to provide targeted recommendations for addressing the challenges posed by the spread of false information.

Research Objectives

The main aim of this study was to examine the effect of misinformation, disinformation, and propaganda on national security in Ogun State, Nigeria. The specific objectives of the study are:

1. To examine the role of misinformation in influencing public perception of security agencies in Ogun State.
2. To investigate how disinformation contributes to social unrest and insecurity within Ogun State.
3. To analyse the impact of propaganda on the stability of governance structures in Ogun State.
4. To identify strategies for mitigating the spread of false information and its effects on national security in Ogun State.

Research Questions

Based on the research objectives, the study seeks to answer the following questions:

1. How does misinformation influence public perception of security agencies in Ogun State?
2. In what ways does disinformation contribute to social unrest and insecurity within Ogun State?
3. What is the impact of propaganda on the stability of governance structures in Ogun State?
4. What strategies can be employed to mitigate the spread of false information and its effects on national security in Ogun State?

Conceptual Clarifications

Misinformation

Misinformation is typically defined as the unintentional dissemination of false or misleading information, which is often spread by individuals who are unaware of its inaccuracy (Adeyemi & Ojo, 2023). In the context of Ogun State, misinformation has become a prevalent issue due to the widespread use of social media platforms where information is shared rapidly without proper verification. A study by Bello and Ahmed (2023) found that the low level of digital literacy among citizens in rural parts of Ogun State contributes significantly to the spread of misinformation. Individuals frequently rely on social media platforms and informal channels, which lack the credibility and gatekeeping functions of traditional media. This unchecked flow of information can have severe implications for national security, as false reports about security threats or government actions can incite unnecessary panic, leading to social unrest (Afolabi & Omowunmi, 2024).

Moreover, misinformation undermines public trust in government institutions and security agencies. The public's reliance on unverified information can lead to widespread scepticism towards official statements and policies (Amadi, 2024). This erosion of trust has been particularly evident during elections and crises, where misinformation about electoral processes or security operations is rampant. Amadi (2024) highlights that misinformation can exacerbate existing tensions between ethnic and political groups, further destabilising governance in already fragile regions like Ogun State. This shows the need for increased digital literacy campaigns and fact-checking initiatives aimed at countering the spread of false information.

Disinformation

Disinformation, unlike misinformation, is the deliberate spread of false information intended to deceive and manipulate public opinion (Eze & Abiodun, 2023). In Ogun State, disinformation campaigns have been employed by various political actors to distort facts and sway public opinion during elections and other politically charged events. A recent study by Aina, Ishola, and Chukwu (2023) revealed that disinformation has become a tool for political elites to gain an advantage by tarnishing the reputations of their opponents. This strategic use of falsehoods has a destabilising effect on the political atmosphere, as it fosters mistrust and deepens societal divisions. The deliberate creation of false narratives can provoke violence, particularly in regions where ethnic and religious tensions already exist (Onyema & Yakubu, 2024).

The spread of disinformation in Ogun State is further amplified by the state's high internet penetration and increased use of digital platforms for news consumption (Obafemi & Ayodele, 2024). Individuals and groups with malicious intent exploit this digital space, often using fabricated stories to manipulate public sentiment. Onyema and Yakubu (2024) argue that the lack of robust regulatory frameworks governing online content has allowed disinformation to thrive, leading to widespread confusion and conflict. Addressing the problem of disinformation requires a multi-faceted approach, including stronger legal frameworks, enhanced media literacy, and cooperation between social media companies and the government to combat false information.

Propaganda

Propaganda refers to the use of information, often biased or misleading, to promote a particular political cause or ideology (Olalekan & Babalola, 2023). In Ogun State, propaganda has been used extensively during elections and other political events, with parties attempting to control narratives to influence voter behaviour. Olalekan and Babalola (2023) point out that political actors in Ogun State often utilise both traditional media and social media to propagate favourable messages while discrediting their opponents. This not only manipulates public opinion but also distorts democratic processes, as citizens are often misled about the actual policies or intentions of political candidates.

The use of propaganda can also impact national security, particularly when it is used to create a false sense of crisis or urgency. For instance, some actors may exaggerate security threats to justify certain actions or policies, which could lead to unnecessary panic or conflict (Mustapha & Akinlolu, 2024). Propaganda, when weaponised, can sow discord and destabilise regions by polarising public opinion. Mustapha and Akinlolu (2024) suggest that tackling the spread of propaganda requires a concerted effort from both government and civil society to promote transparency in information dissemination and to build the public's capacity to critically assess information.

National Security

National security encompasses a range of factors that safeguard a nation's sovereignty, territorial integrity, and citizen welfare from internal and external threats (Ibrahim & Ogunleye, 2023). In Nigeria, and specifically in Ogun State, the concept of national security has evolved to include not just military defence but also the management of information as a security asset. Ibrahim and Ogunleye (2023) argue that the rise of misinformation, disinformation, and propaganda poses a direct threat to national security by weakening public confidence in governmental institutions. When false information spreads, it can undermine the legitimacy of security forces, complicating efforts to maintain law and order.

The impact of false information on national security is particularly pronounced in Ogun State due to its proximity to Lagos, Nigeria's economic hub, and its diverse ethnic composition (Ayoola & Nwankwo, 2023). These factors make the state a prime target for information warfare aimed at destabilising the region. As Ayoola and Nwankwo (2023) note, misinformation and disinformation have the potential to ignite ethnic conflicts, disrupt economic activities, and weaken the state's security apparatus. Thus, strengthening national security in Ogun State requires not only addressing physical threats but also securing the information space by promoting accurate information and enhancing the public's resilience to false narratives.

Cases of Misinformation, Disinformation and Propaganda in Ogun State

Ogun State, like many regions in Nigeria, has experienced a significant increase in the spread of misinformation, disinformation, and propaganda, particularly during politically sensitive periods. The 2023 general elections in Nigeria were rife with these forms of information manipulation, impacting not only public opinion but also national security. In one notable case during the 2023 elections, false information about the manipulation of election results in Ogun State was circulated widely on social media platforms like Twitter (X) and WhatsApp (Ayodele & Ibrahim, 2023). This misinformation led to protests and unrest, as people believed the election results were tampered with, despite official reports from the Independent National Electoral Commission (INEC) stating otherwise. The rapid spread of this false narrative was fuelled by partisan actors who sought to discredit their opponents, contributing to public distrust in the electoral process.

Disinformation in Ogun State is often employed with deliberate intent to deceive and manipulate public perception for political gain. For instance, during the same election cycle, a fabricated report emerged claiming that a leading gubernatorial candidate had withdrawn from the race due to ill health (Adeola & Bakare, 2023). This disinformation, strategically released just days before the election, aimed to confuse voters and suppress support for the candidate. Despite swift denials by the candidate's team, the disinformation had already reached a significant portion of the electorate, creating doubt and weakening the candidate's chances. This case underscores the role of disinformation as a political tool, often with immediate and damaging consequences.

Propaganda has also played a significant role in shaping the socio-political landscape of Ogun State. Political parties frequently use propaganda to paint opponents in a negative light, influencing voter perceptions. During the build-up to the 2023 gubernatorial elections, several parties launched media campaigns that exaggerated the security situation in parts of the state, blaming their opponents for purportedly failing to address these issues (Balogun & Fashola, 2023). These exaggerated claims were designed to instil fear among the electorate, casting the ruling party as incapable of maintaining law and order. While Ogun State has faced legitimate security challenges, the deliberate amplification of these issues for political purposes amounted to propaganda, distorting the actual situation on the ground.

In addition to political cases, misinformation and disinformation have also been prevalent during public health crises in Ogun State. A case in point occurred during the COVID-19 pandemic when false reports spread across social media, claiming that the virus was a hoax or that herbal remedies could cure it (Ogunjimi & Obafemi, 2023). This misinformation led to widespread confusion, resulting in lower compliance with government-mandated health guidelines and contributing to a rise in infection rates. The government and public health authorities struggled to counter these false narratives, as they quickly gained traction on social media, further complicating efforts to manage the pandemic. This case highlights how misinformation can have severe public health consequences, especially when it undermines official efforts to protect the population.

Moreover, external actors have also been involved in disinformation campaigns targeting Ogun State. A study by Adedeji and Thomas (2024) revealed that foreign entities, particularly from non-state actors, have been involved in spreading false information about the security situation in the state. These actors exploit local tensions, particularly ethnic and religious divides, to destabilise the region. For instance, fabricated reports about inter-ethnic clashes were spread on Facebook in early 2024, which heightened tensions in communities that had previously coexisted peacefully. This external interference through disinformation poses a significant threat to both local and national security, as it exacerbates existing social divisions and creates an atmosphere of fear and distrust.

Theoretical Framework

This study is anchored on the **framing theory** and **agenda-setting theory**. Framing theory was propounded by Erving Goffman in 1974. It posits that the way information is presented to the audience significantly influences how people perceive and interpret events or issues (Cacciatore & Scheufele, 2022). In the context of misinformation, disinformation, and propaganda, this theory highlights how certain narratives are constructed to shape public perception, often leading to misinformation by emphasising or omitting specific aspects of a story. This is particularly relevant in Ogun State, where media outlets and political actors often frame issues in ways that can incite tension or manipulate public sentiment. The Agenda-setting theory, propounded by Maxwell McCombs and Donald Shaw in 1972, argues that media has the power to influence what topics are considered important by the public (Nwafor & Adebayo, 2023). This theory is crucial for understanding how persistent coverage of false or exaggerated issues can distort public priorities, leading to a focus on misleading narratives. Both theories are relevant to the study because they explain the mechanisms through which misinformation, disinformation, and propaganda influence public opinion and national security in Ogun State, offering insights into how strategic communication efforts can either mitigate or exacerbate these issues.

Method

This study adopted descriptive survey research design. The population of the study comprised security personnel, government officials, media practitioners, community leaders and residents of Ijebu-Ode Local Government Area. The sample size was determined from the population of Ijebu-Ode which stood at 229,000 (National Population Census, 2006) through the use of Taro Yamane formula as given below:

$$n = \frac{N}{1+N(e)^2}$$

Where,

n is the sample size,

N is the population size,

e is the margin of error (typically 0.05).

Substituting the values, we get:

$$\frac{2290000}{1+229000(0.05)^2}$$

$$\frac{2290000}{1+229000(0.0025)}$$

$$\frac{2290000}{1+229000(0.0025)}$$

$$\frac{2290000}{1+572.5}$$

$$\frac{2290000}{573.5}$$

$= 399$

Thus, the sample size for this study is 399.

The study adopted **purposive sampling** technique so as to allow the researcher to deliberately select respondents, such as security personnel, government officials, media practitioners, community leaders, and citizens in Ijebu-Ode, who are most knowledgeable and directly involved with the issues of misinformation, disinformation, and propaganda, ensuring relevant and insightful data is collected. A structured questionnaire was used in gathering information from the respondents. Data gathered were analysed through descriptive statistics. Data analysis was carried out through the use of descriptive statistics to summarise and organise data collected from the copies of questionnaire distributed in a clear and meaningful way in order to provide an overview of patterns, trends, and the general characteristics of the respondents' views on misinformation, disinformation, and propaganda in Ijebu-Ode.

Findings

Table 1: Descriptive analysis of the role of misinformation in influencing public perception of security agencies in Ogun State (n = 367)

Items	Level of Agreement (n = 367)					
	SA	**A**	**D**	**SD**	**Mean**	**SD**
Misinformation has decreased public trust in security agencies.	179 (48.77%)	138 (37.60%)	27 (7.36%)	23 (6.27%)	3.28	0.79
Social media is the primary source of misinformation about security agencies.	187 (50.96%)	128 (34.88%)	30 (8.17%)	22 (5.99%)	3.31	0.78
Misinformation leads to unfair criticism of security agencies.	165 (44.96%)	140 (38.15%)	38 (10.35%)	24 (6.54%)	3.22	0.84
Misinformation has led to public panic about security situations in Ogun State.	173 (47.15%)	134 (36.50%)	39 (10.63%)	21 (5.72%)	3.25	0.81
Public perception of security agencies is influenced by misinformation spread by political actors.	180 (49.04%)	139 (37.87%)	31 (8.45%)	17 (4.63%)	3.32	0.76
Grand Mean					**3.28**	

Source: Researcher's Field Survey, 2024

The data in Table 1 examined the role of misinformation in influencing public perception of security agencies in Ogun State. A significant portion of respondents (48.77%) strongly agreed that misinformation has decreased public trust in security agencies, while 37.60% agreed. Social media was identified as a primary platform for misinformation, with 50.96% of respondents strongly agreeing, highlighting its role in spreading false information. The overall mean score of 3.28 indicated that the majority of respondents recognised the significant impact of misinformation on the perception of security agencies. The standard deviation values, ranging from 0.76 to 0.84, reflected a moderate level of agreement among respondents. The findings suggested that misinformation not only creates unfair criticism of security agencies but also leads to public panic and undermines trust in these institutions. These results underscored the importance of addressing misinformation in efforts to restore public confidence in security operations in Ogun State.

Table 2: Descriptive analysis of how disinformation contributes to social unrest and insecurity within Ogun State (n = 367)

Items	Level of Agreement (n = 367)					
	SA	A	D	SD	Mean	SD
Disinformation has increased ethnic tensions in Ogun State.	172 (46.87%)	137 (37.32%)	33 (8.99%)	25 (6.81%)	3.24	0.82
False information about security issues has led to public unrest.	185 (50.41%)	126 (34.33%)	31 (8.45%)	25 (6.81%)	3.28	0.80
Disinformation campaigns are used by political actors to create unrest.	179 (48.77%)	130 (35.42%)	34 (9.26%)	24 (6.54%)	3.26	0.81
Social unrest in some parts of Ogun State is often triggered by disinformation.	169 (46.04%)	142 (38.69%)	33 (8.99%)	23 (6.27%)	3.24	0.80
Disinformation has worsened insecurity in the state by exaggerating threats.	176 (47.96%)	134 (36.50%)	36 (9.81%)	21 (5.72%)	3.26	0.79
Grand Mean					**3.26**	

Source: Researcher's Field Survey, 2024

The data in Table 2 highlighted the ways disinformation contributes to social unrest and insecurity in Ogun State. A majority of respondents (46.87%) strongly agreed that disinformation has heightened ethnic tensions, and 50.41% strongly agreed that false information about security issues leads to public unrest. The grand mean of 3.26 suggested that disinformation is a significant factor in the escalation of social instability and insecurity within the state. The standard deviation values, ranging from 0.79 to 0.82, suggested a consistent agreement among respondents about the destabilising effects of disinformation. The findings indicated that disinformation not only exacerbates insecurity by exaggerating threats but is also frequently used by political actors to stir unrest. These insights revealed the critical role of disinformation in destabilising the socio-political environment of Ogun State.

Table 3: Descriptive analysis of the impact of propaganda on the stability of governance structures in Ogun State (n = 367)

Items	Level of Agreement (n = 367)					
	SA	A	D	SD	Mean	SD
Propaganda undermines public confidence in governance in Ogun State.	181 (49.32%)	137 (37.32%)	28 (7.63%)	21 (5.72%)	3.30	0.77
Political parties frequently use propaganda to manipulate public opinion.	192 (52.32%)	124 (33.78%)	30 (8.17%)	21 (5.72%)	3.33	0.77
Propaganda campaigns have worsened political instability in Ogun State.	177 (48.23%)	135 (36.77%)	33 (8.99%)	22 (5.99%)	3.27	0.79
Governance reforms are often undermined by propaganda spread by opposition groups.	170 (46.32%)	144 (39.24%)	34 (9.26%)	19 (5.17%)	3.26	0.78
Propaganda has led to public mistrust in government policies in Ogun State.	186 (50.68%)	128 (34.88%)	32 (8.72%)	21 (5.72%)	3.31	0.78
Grand Mean					**3.29**	

Source: Researcher's Field Survey, 2024

The data in Table 3 evaluated the impact of propaganda on governance structures in Ogun State. A substantial 49.32% of respondents strongly agreed that propaganda undermines public confidence in governance, with a further 52.32% strongly agreeing that political parties frequently use propaganda to manipulate public opinion. The grand mean of 3.29 indicated that propaganda is viewed as a critical factor destabilising governance structures in the state. The standard deviation values, between 0.77 and 0.79, demonstrated moderate agreement among respondents, with minimal variation in responses. The findings suggested that propaganda not only weakens governance reforms but also leads to public mistrust in government policies. This underscores the damaging effects of propaganda on political stability and public trust in governance.

Table 4: Descriptive analysis of strategies for mitigating the spread of false information and its effects on national security in Ogun State (n = 367)

Items	Level of Agreement (n = 367)					
	S	A	D	SD	Mean	SD
Public education campaigns can reduce the spread of false information.	197 (53.68%)	124 (33.78%)	30 (8.17%)	16 (4.36%)	3.37	0.75
Media literacy programmes should be implemented to combat misinformation and disinformation.	189 (51.50%)	127 (34.60%)	31 (8.45%)	20 (5.45%)	3.32	0.76
Stronger laws and regulations are needed to address false information.	182 (49.59%)	133 (36.24%)	34 (9.26%)	18 (4.90%)	3.30	0.77
Collaboration between the government and social media platforms will help reduce disinformation.	175 (47.69%)	141 (38.42%)	34 (9.26%)	17 (4.63%)	3.29	0.77
Fact-checking initiatives should be strengthened to counter false narratives.	193 (52.59%)	126 (34.33%)	28 (7.63%)	20 (5.45%)	3.34	0.76
Grand Mean					**3.32**	

Source: Researcher's Field Survey, 2024

The data in Table 4 suggested various strategies for mitigating the spread of false information in Ogun State. Over half of the respondents (53.68%) strongly agreed that public education campaigns are effective in reducing the spread of false information, while 51.50% strongly agreed that media literacy programmes are crucial for combating misinformation. The grand mean of 3.32 reflected broad support for comprehensive strategies aimed at countering misinformation and disinformation. The standard deviation values, between 0.75 and 0.77, indicated consistent agreement among respondents. The findings highlighted the importance of public education, legal reforms, media literacy, and collaboration between government and social media platforms in reducing the spread of false information and strengthening national security in Ogun State.

Discussions

The findings from this study aligned with the objectives and revealed significant insights into the role of misinformation, disinformation, and propaganda in Ogun State, as well as strategies to mitigate their spread. In relation to objective one, the data showed that misinformation significantly influences public perception of security agencies in Ogun State. The results are consistent with previous studies that emphasise the role of misinformation in eroding public trust in institutions (Adebanjo & Okon, 2023). Specifically, with a grand mean of 3.28, it is evident that misinformation has contributed to a decline in public confidence, leading to unfair criticism and panic. This finding is in agreement with framing theory, which suggests that the way information is presented shapes public perception (Cacciatore & Scheufele, 2022). Social media's role as the main platform for misinformation, as highlighted by the respondents, supports findings by Ayoola (2023), who noted that digital platforms are critical vectors for the spread of false information in Nigeria.

Regarding objective two, the study revealed that disinformation is a major contributor to social unrest and insecurity in Ogun State. The data indicated that disinformation has heightened ethnic tensions, with 50.41% of respondents strongly agreed that false information about security issues leads to public unrest. This aligned with previous research by Ajayi (2023), who found that disinformation often exploits ethnic and religious divides, exacerbating insecurity in Nigeria. The consistency between these findings and the Agenda-Setting Theory supported the notion that disinformation can distort public priorities, pushing issues like insecurity to the forefront through false or exaggerated narratives (Nwafor & Adebayo, 2023). Disinformation's role in stirring unrest, particularly when used by political actors, also conforms to findings by Amusa and Omole (2023), who noted that false information is frequently weaponised to destabilise regions for political gain.

In relation to objective three, the findings demonstrated that propaganda has a destabilising effect on governance structures in Ogun State. A significant 49.32% of respondents strongly agreed that propaganda undermines public confidence in governance, with a grand mean of 3.29 indicating that propaganda is a critical factor in weakening governance. This is in line with Adeoye and Balogun's (2023) study, which found that propaganda campaigns, especially during elections, are used to manipulate public opinion, often leading to political instability. The findings also aligned with McCombs and Shaw's Agenda-Setting Theory, which posits that repeated exposure to certain issues can shape the public's perception of governance and politics (Nwafor & Adebayo, 2023). The study's results confirmed that propaganda, when employed to discredit governance efforts, leads to mistrust in policies and weakens the overall political structure, consistent with earlier research by Ogundipe (2023), which highlighted the negative impact of propaganda on governance reforms in Nigeria.

Objective four aimed to identify strategies for mitigating the spread of false information and its effects on national security. The findings indicated strong support for public education campaigns, media literacy programmes, and stronger legal frameworks, with 53.68% of respondents strongly agreeing on the importance of public education.

This aligned with the findings of Okon and Lawal (2024), who suggested that educating the public about misinformation and disinformation is essential to reducing their impact. The emphasis on media literacy is also consistent with Oladimeji's (2023) recommendations, which stress the need for a more informed public to combat the spread of false information. Moreover, the relevance of collaboration between the government and social media platforms is in agreement with studies by Okafor and Obi (2023), which found that joint efforts between state actors and digital platforms are crucial for mitigating the harmful effects of disinformation and propaganda on national security.

Conclusion and Recommendations

The findings of this study underscored the profound impact of misinformation, disinformation, and propaganda on public perception, social unrest, and governance in Ogun State. Misinformation significantly erodes public trust in security agencies, while disinformation contributes to ethnic tensions and insecurity, often driven by political actors. Propaganda further destabilises governance by weakening public confidence in government institutions and policies. The study highlighted as suggestions, the critical need for strategies such as public education campaigns to raise awareness about the dangers of misinformation and disinformation, particularly through social media; media literacy programmes at all educational levels to equip citizens with the skills needed to critically evaluate the information they consume; establish through collaboration with media organizations and social media platforms fact-checking initiatives aimed at quickly countering false information and stronger regulatory frameworks to mitigate the spread of false information and its detrimental effects on national security. Addressing these issues is essential for restoring public confidence and ensuring stability in Ogun State.

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Language and Literature for Sustainable Advancement: An Approach to Digital Adaptabilities.

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Abstract

This paper explores how language and literature contribute to sustainable development in a digitally advancing world. By examining the integration of Information and Communication Technologies (ICT) into language and literature education, we analyze the ways digital adaptability can foster critical thinking, cultural preservation, and inclusivity. The study draws on theoretical frameworks of digital literacy, media ecology, and sustainable education, supported by case studies and empirical data. Findings reveal that ICT applications in language and literature enhance engagement and learning outcomes while promoting global understanding and cultural diversity. Challenges like digital divides and ethical considerations are discussed, with policy recommendations provided for educators, institutions, and policymakers. This research concludes that digital adaptability in language and literature is instrumental in building a more inclusive and resilient educational landscape, essential for sustainable futures.

Keywords: Digital Adaptability, Language, Literature, Sustainable Development**.**

INTRODUCTION

In the rapidly evolving digital era, the intersection of language, literature, and technology presents unprecedented opportunities for fostering sustainable futures. This paper explores the role of digital adaptability in the fields of language and literature, emphasizing the transformative potential of integrating Information and Communication Technologies (ICT) into educational practices. Language and literature play a crucial role in achieving sustainable development goals by promoting awareness, cultural understanding, critical thinking, and problem-solving skills, all essential for sustainable development (UNESCO, 2017).

Language, as a system of communication using words, symbols, and signs, includes both verbal and non-verbal communication forms such as speech, writing, and body language. It plays a crucial role in conveying meaning, expressing ideas, and shaping culture (Crystal, 2003). Literature, encompassing written works like poetry, fiction, drama, and non-fiction, provides insights into human experiences, cultures, and societies through creative writing, storytelling, and critical analysis (Eagleton, 2008). Together, language and literature can effectively contribute to digital adaptability by enhancing communication, storytelling, cultural preservation, education, and awareness.

Effective communication is crucial for digital adaptability. Language helps convey complex ideas, facilitating understanding and collaboration (Gee, 2012). Literature and storytelling can make sustainable development and digital adaptability more relatable and engaging, inspiring action and behavioral change (Gottschall, 2012). Digital literature and language archives play a significant role in preserving cultural heritage, promoting diversity and inclusivity in the digital age (Harrison & Dourish, 1996). Furthermore, digital literature and language resources can educate people about sustainable development, digital adaptability, and environmental issues (UNESCO, 2017).

Literature and language foster creative thinking, essential for innovative solutions in digital adaptability and sustainable development. These skills are vital for creating high-quality digital content that promotes sustainable development (Pink, 2005). Additionally, language and literature ensure that digital resources are accessible and inclusive, reaching diverse audiences and promoting equity (Warschauer, 2004). They also play a critical role in data analysis and visualization, helping to interpret and communicate complex data, facilitating informed decision-making for sustainable development (Kirk, 2012).

Instruments for sustainable development through digital adaptability include digital technologies such as AI, IoT, and blockchain, which can be leveraged for sustainable development (Kshetri, 2018). Data analytics can inform sustainable development decisions and monitor progress (Cohen et al., 2016). Digital education provides access to digital skills training and education for sustainable development, while e-governance utilizes digital platforms for transparent and efficient governance (Bertot et al., 2010). Digital finance promotes financial inclusion and sustainable development through digital financial services (Demirgüç-Kunt et al., 2017), and digital entrepreneurship supports sustainable entrepreneurship and innovation through digital platforms (Nambisan, 2017).

This study examines how digital adaptability, defined as the ability to engage effectively with digital tools and platforms, enhances the educational experience within language and literature. It aims to answer key questions about the role of ICT in these fields: How does ICT integration promote cultural preservation? What are the implications for inclusivity and accessibility? And how does digital adaptability shape critical thinking and problem-solving skills in students? This paper draws on extensive research and case studies to address these questions, providing a comprehensive overview of the current state and potential impact of digital adaptability in language and literature education. This paper provides insights and recommendations to guide educators, policymakers, and researchers in harnessing the power of digital tools to achieve these goals.

Statement of the Problem:

In the context of rapidly advancing digital technologies, there is a growing need to understand how language and literature education can contribute to sustainable development. The integration of Information and Communication Technologies (ICT) into these fields has the potential to enhance critical thinking, cultural preservation, and inclusivity. However, challenges such as the digital divide, ethical concerns, and varying levels of digital adaptability in educational settings hinder the full realization of these benefits. Despite its importance, the role of ICT in fostering a sustainable educational landscape in language and literature remains underexplored, requiring further investigation into its impact on learning outcomes and global understanding.

Research Objectives

1. To examine the role of Information and Communication Technologies (ICT) in language and literature education.
2. To analyze how digital adaptability fosters critical thinking, cultural preservation, and inclusivity in language and literature.
3. To assess the impact of ICT on engagement, learning outcomes, and global understanding in language and literature education.
4. To explore the role of digital adaptability in supporting sustainable development goals (SDGs), particularly those related to quality education, reduced inequalities, and cultural preservation.

Research Questions

How does the integration of ICT into language and literature education enhance critical thinking, cultural preservation, and inclusivity?

1. What are the effects of digital adaptability on student engagement and learning outcomes in language and literature?
2. How can ICT applications in language and literature education promote global understanding and cultural diversity?
3. What policy recommendations can be made to support the integration of ICT in language and literature education for sustainable development?
4. How can digital adaptability enhance the teaching and learning of language and literature in ways that contribute to sustainable development goals?

2.0 LITERATURE REVIEW

This section explores the intersection of digital adaptability with language and literature education, focusing on its implications for critical thinking, cultural preservation, and inclusivity. By examining key theories in digital literacy, studies on ICT integration, and the ethical challenges associated with digital education, this section aims to provide a comprehensive understanding of how digital adaptability can support sustainable educational practices.

2.1 Foundational Theories on Digital Literacy and Adaptability

Digital literacy has evolved as an essential competency for navigating the modern, tech-driven world. The concept, first articulated by Paul Gilster in 1997, encompasses more than just technical skills; it involves the critical thinking necessary to engage with digital media, analyze information, and communicate effectively across platforms (Gilster, 1997). According to Gilster, digital literacy is not simply about using digital tools, but about an individual's cognitive and ethical capacity to apply these tools in meaningful ways. Scholars in the field of education have expanded on Gilster's framework, identifying core competencies such as information search and evaluation, content creation, and digital communication (Martin, 2008; Bawden, 2008). These competencies are foundational for digital adaptability, which refers to the agility with which individuals can learn new digital skills and adjust to evolving technologies.

Theories of digital literacy are also intertwined with media ecology, a perspective that examines how media and technology shape human environments. Douglas Rushkoff (2011) highlights that media ecology considers digital adaptability as both a cognitive and social adaptation, as individuals must not only learn new digital tools but also understand their broader societal implications. This framework is particularly relevant in educational contexts, where digital literacy influences students' ability to critically evaluate information, engage in collaborative learning, and become informed digital citizens.

Moreover, UNESCO (2017) has emphasized the role of digital literacy in achieving sustainable development goals (SDGs), particularly in the realm of equitable education. By promoting digital literacy, educators empower students to navigate a globalized world, access diverse perspectives, and contribute to a sustainable future. Digital adaptability, as a result, is seen not only as a personal skill but also as a cornerstone for collective resilience and inclusivity in digital education. In this way, foundational theories on digital literacy and adaptability provide a base for understanding how digital tools can transform language and literature education.

2.2 Empirical Studies on the Impact of Digital Tools on Language and Literature

Research on the impact of digital tools in language and literature education reveals significant benefits, including enhanced engagement, accessibility, and cultural preservation. For instance, the use of interactive digital tools like e-books and storytelling platforms has shown to increase student interest and motivation. Larson (2010) found that digital readers and e-books enable students to engage more deeply with literary texts, allowing them to interact with annotations, multimedia content, and interactive discussion prompts. This approach promotes active reading, where students are encouraged to interpret and question texts rather than passively consume information.

Moreover, empirical studies highlight that digital tools can make literature more accessible to diverse student populations, particularly those with disabilities. A case study by Sadik (2008) on digital storytelling in classrooms showed that students with various learning needs benefitted from digital adaptability. For instance, text-to-speech software and digital Braille have opened new avenues for visually impaired students, making literary content more accessible than ever. Similarly, speech-to-text technology helps students with dyslexia or other learning disabilities to engage with reading and writing tasks, thus fostering inclusivity in language education.

Digital archives and language preservation projects represent another critical area where digital tools are transforming language and literature education. Harrison and Dourish (1996) found that online repositories and collaborative digital tools play a crucial role in preserving endangered languages. By digitizing texts, audio recordings, and language resources, these projects provide accessible learning materials and support language revitalization efforts. Such efforts are particularly valuable in promoting cultural preservation and linguistic diversity, which are essential components of sustainable development.

Furthermore, studies on virtual discussion forums and social media show that these platforms facilitate collaborative learning and expand the scope of literary discussion. Research by Robin (2008) found that online platforms allow students to share insights, debate interpretations, and co-create knowledge, creating a vibrant learning community. This type of engagement fosters critical thinking and enhances students' ability to analyze texts from multiple perspectives. Therefore, empirical studies demonstrate that digital tools enrich language and literature education by enhancing accessibility, engagement, and cultural diversity.

2.3 Ethical and Practical Challenges in Digital Education

Despite the promising benefits of digital adaptability, there are significant ethical and practical challenges to consider. The digital divide, for instance, remains a major obstacle in creating equitable access to digital tools. According to Norris (2001), disparities in access to technology perpetuate inequalities in education, as students from underserved communities may lack the resources to fully participate in digital learning environments. Warschauer (2004) reinforces this point, noting that digital literacy initiatives must address these gaps to ensure that all students can benefit from digital adaptability.

Privacy concerns also emerge as a critical issue in digital education. With the integration of digital platforms comes the collection of student data, which raises ethical questions about data security and user privacy. Singer and Friedman (2014) argue that without robust data protection measures, digital education tools could expose students to privacy risks, as personal data can be used in ways that compromise their safety and autonomy. Implementing data protection policies that adhere to ethical standards is essential to protect students while they engage with digital tools.

Furthermore, there is the practical challenge of ensuring that educators themselves possess the digital literacy and adaptability required to integrate ICT effectively. Studies by McKnight et al. (2016) highlight that teachers need adequate training and support to adopt digital tools in their classrooms confidently. Without this support, educators may struggle to implement digital adaptability in a way that benefits students. Schools and institutions, therefore, play a critical role in providing resources and professional development opportunities that allow teachers to enhance their own digital skills.

Another challenge lies in balancing the use of digital tools with traditional literacy skills. Critics argue that over-reliance on digital platforms may erode traditional reading and writing skills, as students increasingly turn to multimedia content and instant information sources. Bawden (2008) warns that digital literacy should complement, not replace, foundational literacy skills. The goal should be to integrate digital and traditional literacy in a way that enriches students' overall learning experience, ensuring they can navigate both digital and print media with equal confidence.

Finally, ethical considerations in digital education extend to cultural sensitivity and inclusivity. Digital content must reflect diverse voices and perspectives to avoid perpetuating cultural biases. Banks (1993) emphasizes the importance of culturally responsive digital content, which respects and celebrates diversity. Digital adaptability, therefore, should not only involve technical proficiency but also promote a deep awareness of cultural sensitivity and inclusivity.

2.4 Developing Critical Thinking and Problem-Solving Skills through Language and Literature

Engaging with language and literature is a powerful way to develop essential cognitive skills such as analyzing complex information, evaluating evidence and arguments, thinking creatively and critically, approaching problems from multiple angles, and communicating effectively and persuasively. This synergy between language, literature, critical thinking, and problem-solving skills can empower individuals to navigate complex challenges in academics, their profession, and life with confidence and creativity.

1. Analyzing Complex Information

Language and literature train readers to dissect and understand intricate texts and narratives. For instance, analyzing the layers of meaning in Shakespeare's plays or interpreting the nuanced prose of Virginia Woolf requires a deep engagement with complex information. This skill is transferable to any situation requiring detailed analysis, whether it's interpreting data in a research paper or evaluating a complex business report (Shakespeare, 1603; Woolf, 1925).

2. Evaluating Evidence and Arguments

Critical reading of literature involves assessing the validity of arguments and the reliability of narrators. For example, reading "To Kill a Mockingbird" involves evaluating the moral and ethical arguments presented through the characters and the societal context (Lee, 1960). This practice enhances one's ability to critically evaluate evidence and arguments in various contexts, from academic research to legal analysis.

3. Thinking Creatively and Critically

Engaging with literary texts fosters both creative and critical thinking. Creative thinking is spurred by the imaginative worlds created in literature, such as the fantastical realms in J.R.R. Tolkien's works (Tolkien, 1954). Simultaneously, critical thinking is developed through the analysis and interpretation of these worlds, understanding themes, and questioning characters' motives and actions.

3.0 METHODOLOGY

This research employs a mixed-methods approach, integrating qualitative and quantitative analyses to examine the impacts of digital tools on language and literature education. Data was gathered through a combination of literature reviews, case study analysis, and surveys distributed to educators and students in primary, secondary, and tertiary institutions across various regions. This approach allowed for a comprehensive understanding of the benefits and challenges associated with digital adaptability.

Case studies included in this research focus on the use of digital storytelling platforms, e-books, and online discussion forums. Empirical data collected from student engagement metrics and feedback from educators provided quantitative support to the qualitative findings. Additionally, ethical considerations, including data privacy and digital divide, were examined to understand the broader social implications of digital adaptability.

4.0 FINDINGS

The integration of digital tools in language and literature education has shown substantial benefits in terms of student engagement, inclusivity, and cultural preservation. One significant finding is that interactive digital platforms, such as e-books and digital storytelling apps, increase student interest and motivation in reading and creative writing. For instance, in a study conducted on the use of interactive storytelling platforms in secondary schools, 85% of students reported an enhanced interest in reading and writing.

Moreover, the use of ICT has been instrumental in making literature accessible to students with disabilities. Tools like digital Braille and text-to-speech applications have bridged learning gaps, allowing visually impaired students to engage with literary content effectively. Digital archives and language preservation efforts, particularly for endangered languages, have also been bolstered by the availability of online repositories and collaborative digital resources, which provide accessible learning materials for students worldwide.

DISCUSSION

The findings underscore the transformative potential of digital adaptability in language and literature education, but they also reveal the challenges and ethical considerations that accompany digital integration. One primary concern is the digital divide, where disparities in access to digital resources create inequalities in educational opportunities. Students from underprivileged backgrounds may lack access to necessary digital tools, underscoring the need for inclusive policies and resources.

Additionally, issues related to data privacy and online safety are critical when integrating digital platforms into education. The storage and handling of student data require strict adherence to ethical guidelines to protect privacy. Despite these challenges, digital adaptability remains a crucial component in promoting sustainable educational practices, as it fosters global citizenship and intercultural understanding, which are essential for a cohesive society.

Language and Literature as Tools for Cultural Understanding

Language and literature offer profound insights into the beliefs, values, and experiences of diverse communities, nurturing cultural understanding and empathy. Through exploring cultural identities, readers encounter narratives that reflect the intricacies of heritage and self-perception within different societies. For example, Toni Morrison's *Beloved* offers an intimate exploration of African American experiences after the Civil War, delving into themes of memory, trauma, and resilience (Morrison, 1987). Similarly, James Joyce's *Ulysses* intricately weaves Irish identity through its narrative structure and dense cultural references, portraying the complex psyche of Ireland (Joyce, 1922).

Understanding historical contexts further enables readers to grasp the cultural impacts of pivotal events. Literature serves as a gateway to past experiences, as seen in Erich Maria Remarque's *All Quiet on the Western Front*, which provides a stark depiction of World War I from a German perspective, underlining the universal horrors of war (Remarque, 1928). Likewise, Khaled Hosseini's *The Kite Runner* unveils the turbulent history of Afghanistan, shedding light on the deep scars left by conflict and displacement (Hosseini, 2003).

Through delving into diverse perspectives, literature fosters empathy by amplifying voices from marginalized communities. Gabriel Garcia Marquez's *One Hundred Years of Solitude* uses magical realism to encapsulate the Latin American experience, blending the extraordinary with the mundane to explore cultural identity (Garcia Marquez, 1967). Jhumpa Lahiri's *Interpreter of Maladies* examines the Indian American diaspora, highlighting issues of displacement, cultural assimilation, and identity (Lahiri, 1999).

Moreover, literature brings readers into the heart of cultural traditions, broadening their appreciation for folklore, mythology, and customs. Chinua Achebe's *Things Fall Apart* delves into Igbo culture, illustrating the effects of colonialism on traditional African societies (Achebe, 1958). Even the mythological elements in J.K. Rowling's *Harry Potter* series draw inspiration from global traditions, sparking curiosity about various cultural mythologies (Rowling, 1997-2007).

Engaging with literature from around the world ultimately fosters global citizenship, helping readers recognize the interconnectedness of human experiences. Markus Zusak's *The Book Thief*, set during World War II in Nazi Germany, encourages readers to reflect on themes of humanity, moral courage, and resistance, prompting a deeper understanding of shared global values (Zusak, 2005). Through these literary journeys, readers develop a broader, more empathetic worldview that bridges cultural divides.

Maximizing Language and Literature's Potential through Digital Adaptability for Sustainable Development

To maximize the contribution of language and literature to sustainable development through digital adaptability, several key factors must be considered. First, **accessibility** plays a crucial role in ensuring that digital content is available to everyone, including individuals with disabilities. This can be achieved through the use of accessible technologies such as screen readers and captioning (Burgstahler, 2020). Next, **inclusivity** is vital for fostering global understanding and empathy. By representing diverse languages, cultures, and perspectives in digital content, language and literature can help bridge cultural divides and promote social cohesion (Kachru, 1992). Additionally, **digital literacy** is essential, as it equips individuals with the skills needed to effectively navigate digital landscapes. This literacy empowers people to engage critically with digital content and make informed decisions (Bawden, 2008). Another key factor is **content creation**, where developing high-quality, engaging digital content that aligns with sustainable development goals can inspire and educate global audiences. Such content may include educational videos, interactive websites, and other digital formats (OECD, 2019). Finally, **collaboration** between educators, authors, developers, and policymakers is necessary to ensure cohesive efforts in integrating digital adaptability into language and literature education. This partnership fosters a unified approach towards achieving the potential of digital technologies in supporting sustainable development (Lave & Wenger, 1991).

5.0 CONCLUSION AND RECOMMENDATIONS

In conclusion, the synergy between language, literature, and digital adaptability is fundamental to achieving sustainable development. Language and literature provide a critical framework for understanding culture, history, and identity. They offer insights into diverse perspectives and foster empathy, critical thinking, and problem-solving skills. Digital adaptability, on the other hand, enables us to harness the power of technology to access and share knowledge, connect with others, and innovate solutions to global challenges.

By integrating these elements, we can create a powerful platform for sustainable development. Language and literature empower individuals and communities to participate actively in global conversation, preserving cultural heritage and fostering a sense of shared humanity. Digital adaptability ensures that this participation is inclusive and far-reaching, breaking down barriers and facilitating global cooperation.

Recommendations for policymakers include developing frameworks to support digital literacy, funding for digital inclusion initiatives, and promoting cross-cultural digital platforms. Future research should focus on longitudinal studies to assess the long-term impacts of digital adaptability on educational outcomes, particularly in diverse and underserved populations. By embracing these changes, education can become a transformative force for sustainable development.

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DIVIDEND POLICY AND FIRM'S VALUE OF LISTED CONSUMER GOODS COMPANIES IN NIGERIA

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ABSTRACT

This study investigates the effect of dividend policy on firm value to examine the effect of earnings per share, dividend per share and dividend pay-out ratio on firm value. The study adoptsex-post facto research design. The population of the study comprised 28 consumer goods companies listed on the Nigeria Stock Exchange. Convenient sampling technique was used to select 10 leading companies. Data collected were analysed using correlation analysis and panel regression. Result from the correlation analysis revealed that EPS, DPS and DPR were not significantly related to FV. Result from Hausman specification test revealed that the fixed effects model was appropriate and thus revealed that EPS (β = -4.659, p = 0.689) was negative and statistically insignificant, DPS (β = 13.864, p = 0.430) was positive and statistically insignificant and DPR (β = -47.431, p = 0.131) was negative and statistically insignificant all at 5% critical level. The study concluded that dividend does not have significant effect on firm value during the period under study. It was therefore recommended that the management of the companies should ensure that they maintain the current level of earnings per share allocated to shareholders, increase dividend per share and ensure that dividend pay-out ratio is determined by the level of profitability and retain earnings.

Keywords: *Dividend policy, Firm Value, Consumer goods companies, Nigeria Stock Exchange*

1.0 INTRODUCTION

The importance of dividend in the business world cannot be over-emphasised. Stakeholders, including investors, managers, lenders, financial consultants/analysts etc. use it in making informed decisions as to whether to invest in a particular firm on not. Dividend policy has been an issue of interest in financial literature since joint stock companies came into existence (Nwamaka and Ezeabasili, 2017). According to Lease, John, Kalay, Lowenstein and Sarig (2000), “dividend connotes the pay-out policy, which managers pursue in deciding the size and pattern of cash distribution to shareholders’ over time”. Management’s primary goal is shareholder’s wealth maximization, which translates into maximization of the value of the company as measured by price of the company’s common stock. The area of corporate dividend has attracted attention of management scholars and economists culminating into theoretical modelling and empirical examination. Thus, dividend is one of the most complex aspects in finance (Kapoor, 2009). The optimal dividend is the one that maximizes the company stock price that leads to the maximization of firm value. Dividends entail the circulation of earnings in the real assets to the stockholders of the company in a fraction to their ownership (Modoran and Obreja, 2013). In most cases, dividends are paid within the current profits and at some point; they are paid from general services. They involve the payment with cash and is normally known as cash dividend. The other option that is always available to a form for earning circulation is by issue of bonus, which is additional to cash dividend (Adefila, Oladipo and Adeoti, 2010). Dividend payment is one of the main stock return components to shareholders, and through dividend payment, a company is able to send a signal to investors that it is complying with good practices of corporate governance (Lashgari and Ahmadi, 2014). Dividends are sticky because firms are typically reluctant to change dividend, in particular, firms avoid cutting dividends even when earnings drop. Dividend decisions are recognized as centrally important because of increasingly significant role of the finances in the firm’s overall growth strategy. The objective of the finance manager should be to find out the optimal dividend policy that will enhance value of the firm (Gordon, 2003).

Value entails the quality that solidifies something wanted, valued, or advantageous; the amount of cash desired to acquire something; or what ought to be given, done, or experienced to get something (Oladele, 2013). A company’s value can also be described as all the values of all its monetary rights. The business value is based on the continuous concern anticipation in the current value of all the predictable future cash flows to be produced by the assets, reduced at the corporation’s weighted regular cost of wealth (Chowdhury and Chowdhury, 2010). Pandey (2005) argues that the value of the company is the total values of all its monetary securities. In a diverse situation where the company’s profits vary, the problem of exploiting becomes rather more complex. Value can be predicated on the dividends streams that the stockholder will receive during the firm’s life, discounted back to the current (Parkinson & Waweru, 2010).Companies exist in the market to make worth for their stockholders. Creation of value can be described as the upsurge in the monetary worth of stockholders, as measured by proportion of marketplace value of stocks to the book value of stocks, produced by the presentation of a company (Oladele, 2013). Creation of value takes place if the company produces more affluence for their bondholders that it could have not been easy to produce for themselves. To create worth, as a result, the organization needs to distinguish how to recognize, choose, as well as divide the marketplaces in which to contest; describe the kind of worth to be suggested on the market; as well as create and circulate such value (Oladele, 2013).

Firms’ value plays a vital role in an investment criterion. Firm’s value can be measured through different means such as net sales, paid-up-capital, total assets, capital employed and so on (Sharma, 2011). Firm’s value is expected to reflect the value of both tangible assets and intangible assets. The common tool which is usually used in measuring the firm's value is Tobin's Q. Tobin Q is usually a percentage of a market value of a firm to a firm's assets replacement cost (Taslim, 2013). Tobin Q measures firm value based on book vis-a-vis market-based measures. Under q proposition, a firm is said to create more value if investment returns are greater than investment cost (Taslim, 2013).

According to Miller and Modigliani (1961), the effect of a firm's dividend policy on the value of the firm is a matter of considerable importance, not only to management who must set the policy, but also to investors planning portfolios. This poses the question, to what extent, if any, does dividend policy impact on firm's value. Deep tee and Rosan (2009), argued that dividend policy choice for the company is very significant and therefore, the way bosses go about creating dividend policy choices as well as if or not they monitor a particular set of policies or precise plans to make these adoptions will influence the firm's value.

The issue of dividend policy is one that has engaged managers since the birth of the modern commercial corporation. Surprisingly, dividend policy remains one of the most contested issues in finance. The study of dividend policy has captured the attention of finance scholars since the middle of the last century. They have attempted to solve several issues pertaining to dividends and formulate theories and models to explain corporate dividend behaviour. The dividend problem has not only been an enduring issue in finance but remains unresolved (Banafa, 2014).

In the word of Ordu, Enekwe and Anyanwaokoro (2014), persistent crash in the market price of shares has become a major concern to investors and financial analysts all over the country and the world in general and Nigeria is not an exception. Some financial analysts attribute the crash to the firms' non-payment of dividends which according to them made investors lose interest in trading on stocks. According to them, the objective of a firm is the maximisation of shareholders wealth and once investors could not get the value of their investment, they tend to divert their funds to other investment opportunities that could yield them immediate returns. Others are of the opinion that payment of dividend has no significant influence in the determination of market prices of shares.

Over the years, there have been conflicting goal regarding stakeholders' wealth maximisation and market valuation of the firm; many scholars believed that stakeholder's interest and market value of the firm are reflected in the company's earnings per share and capital gain in share price respectively. Scholars have also argued that companies' fundamentals do not impact positively on the value of the firm; the major proponent of this argument is Modgiliani and Miller's model which postulate that earnings is the predominant factor that affect the market value of a firm (Egbeonu, Edori and Edori, 2016). Black (1976) expresses a view concerning dividend policy that "the harder we look at the dividend picture, the more it seems like a puzzle, with pieces that don't fit together". This was corroborated by Brealey and Myers (2005) who describe dividend policy as one of the top ten most difficult unsolved problems in financial economics.

Despite numerous studies (Farsio, Geary and Moser, 2004; Arnott and Asness, 2003; Nissim and Ziv 2001) done on dividend policy and firm value there has not been a universal agreement and a such the issue remains unsolved in corporate finance (Ordu *et al.,* 2014). Corporate management, in making capital structure decision of paying out dividends to the shareholders has always faced the dilemma of whether the pay-out criterion will have effect on the value of the firm. In addition, several theories have also been proposed to explain the reliance of dividend policy and whether it affects firm value, but there has not been a universal agreement upon (Stulz, 2000, Pandey, 2003; DeAngelo, DeAngelo and Stulz, 2006).

1.1 Objectives of the Study

The broad objective of the study is to examine the effect of dividend on firm value of quoted firms on the Nigeria Stock Exchange. To achieve this, the following specific objectives are pursued to:

(a) Examine the effect of earnings per share on firm value of quoted firms on the Nigeria Stock Exchange;

(b) Determine the effect of dividend per share on firm value of quoted firms on the Nigeria Stock Exchange; and

(c) Evaluate the effect of dividend pay-out ratio on firm value of quoted firms on the Nigeria Stock Exchange.

2.0 LITERATURE REVIEW

2.1 Conceptual Review

2.1.1 Dividend

Pandey (2005) defines dividend as that portion of a company's net earnings which the directors recommend to be distributed to the shareholders in proportion to their shareholdings in the company. It is usually as a percentage of nominal value of the company's ordinary share capital at a fixed amount per share.

Dividends are usually paid out of the current year's profit and sometimes out of general reserves. They are normally paid out in cash, and this form of dividend payment is known as cash dividend. Another option available to a company for the distribution of earnings is by stock dividend (bonus issue) which is supplementary to cash dividend when cash is paid to the shareholders, it has an adverse effect on the liquidity position and the reserves of the firm as it tends to reduce both of the (cash and reserves). Unlike cash dividend, stock dividend does not affect the total net worth of the firm, as it is a capitalization of owner's equity portion.

According to Kapoor (2009), dividend policy indicates the disbursement policy, which directors follow in making decision of the pattern as well as size of cash supply to stockholders over a particular time. Dividend policy is a company's policy focusing on paying out salaries as dividend against retaining them for investment back in the company. It is the section of profit between expenditures to stockholders as well as reinvestment in the company (Lashgari and Ahmadi, 2014). A dividend policy is also defined as the strategy of action accepted by the company's managements every time there is a choice to be made (Aduda and Kimathi, 2011). The main concern of a dividend policy decision is about how much incomes can be paid as dividend by the company and how much could be reserved (Emeni and Ogbulu, 2015).

Chandra (2002) sees dividend policy as that which determines the proportion of earning paid to shareholders by way of dividends and what proportion is ploughed back in the firm for reinvestment purpose.

Lasher (2000) defined dividend policy as the rationale under which a firm determines what it will pay in dividends. It encompasses both the amount paid and the pattern under which changes in amount occur over time. That is, it entails striking a balance between future growth and payment of current dividends to firm's shareholders.

The determination of the dividends amount allocated is a significant decision that businesses assume because the aim of the company is to exploit the stockholders' capital as measured by the company's price on common stock (Waithaka, Ngugi, Aiyabei, Itunga and Kirago, 2012). Most firms usually come up with policies, which are meant to assist them in achieving their various goals using different approaches including stable predictable, constant pay-out and so forth (Aduda and Kimathi, 2011).

2.1 Firm's Value

Measurement of company value can be done by looking at the development of stock prices in the secondary market, if the stock price increases means firm value increases, because the value of the company is actually the stock market value coupled with the market value of bonds or long-term debt. The stock market has captured the attention of many investor and scholars. It has become one of the most crucial aspects of a modern market economy (Setiawan and Yunus, 2018). The increase in stock prices shows people's confidence in the good company, so they are willing to pay higher, this is in line with their expectation to get high return as well.

Firm value can also be measured by summing the market value of bonds or long-term debt with the stock market value. The market value of bonds is relatively stable, while stock market value is very volatile, as stock market prices move over time. Firm value can be measured by Price to Book Value (PBV), that is comparison between stock price with book value per share. Another related indicator is the book value per share, the ratio of capital (common equity) to the number of shares outstanding (shares outstanding).

2.1.1 Determinants of Firm Value

The value of a firm can be determined by it level of liquidity, leverage and it size.

(i) Liquidity

Liquidity refers to available funds that can be easily used for an investment and or expenditure. It is also an indicator of the ability of the firm meet its obligations as they become due (Alkhatib, 2012). Liquidity is a firm's ability to fulfil both expected and unexpected demands of cash on an ongoing basis. In order for a firm to sustain its activities and remain in existence for a long time, it must be liquid and able to meet its obligations at any time. Working capital management is crucial to any successful business. With poor management of working capital, the firm's funds are likely to be tied up in idle assets. This may reduce the firm's liquidity and the firm will not be able to invest in more profitable projects that may arise (Alkhatib, 2012). Liquidity is positively correlated with financial performance (Mwangi, 2014).

(ii) Leverage

Debt is a source of funding which is widely used by many firms to strengthen its capital so as to enhance their profits (Sudiyatno, Puspitasari and Kartika, 2012). Leverage also affects the financial performance of firms. Leverage in this research is described as total debts divided by total assets. It shows the extent to which a corporate is exploiting loaned money. It signifies the possible effect on capital as well as surplus of shortages in funds due to monetary claims (Aggarwal and Kyaw, 2006). Leverage has the potential of increasing the firm's profitability if the debt obtained is well spent. A profitable firm will mostly pay more dividends to shareholders of the firm

(iii) Size of the Firm

The size of the firm determines the level of economics of scale enjoyed by a firm. When a firm becomes larger, it enjoys economics to scale and the average production cost is lower and operational activities are more efficient. Hence, larger firms generate larger returns on assets. However, larger firms can be less efficient if the top management lose their control over strategic and operational activities within the firm (Mule, Mukras and Nzioka, 2015).Large firms are also more diversified than small ones and have greater market power and during good times may have relatively more organizational slack.

2.2 Theoretical Review

Dividend policy has been a strong bone of contention in the area of finance, this is evidenced by numerous studies ranging from Linter (1956) to Modigliani and Miller (1961) to Bhattacharya (1979) and more recently Fama and French (2001), Al-Malkawi (2007) and Al-Najjar and Hussainey (2008). Some of the theories of dividend policy include:

2.2.1 Dividend Irrelevance Theory

Modigliani and Miller (1961) observed that "the dividend policy is irrelevant". The dividend policy has no effect on the price of shares and it has no impact on a shareholder's wealth under the Perfect Capital Market (PCM) which assumes rational investors. They therefore concluded that dividend policy has no impact on shareholder's wealth and that all dividend policies are equivalent. As a matter of fact, firms are continuing to pay dividend to their shareholders. According to them, the shareholder's wealth is affected by the income generated by the investment decisions a firm makes, and not by how it distributes that income. Modigliani and Miller went further to argue that regardless of how a firm distributes its income, its value is determined by its basic earning power and its investment decisions. They stated that "given a firm's investment policy, the dividend pay-out policy it chooses to follow will affect neither the current price of its shares nor the total returns to shareholders". In order words, investors calculate the value of companies based on the capitalised value of their future earnings, and this is not affected by whether firms pay dividends or not and how firms set their dividend policies. Modigliani and Miller went further to suggest that to an investor, all dividend policies are effectively the same since investors can create "homemade" dividends by adjusting their portfolios in a way that matches their preferences. That stockholder's wealth is unchanged when all aspects of investment policy are fixed and any increase in the current pay-out is financed by fairly priced stock sales. The assumptions of the theory include:

(i) That there is 100% pay-out of dividend by management in every period
(ii) That there exists perfect capital market.
(iii) Those investors are rational and that they value securities based on the value of discounted future cash flow to investors.
(iv) That manager's act as the best agents of shareholders.
(v) And that there is certainty about the investment policy of the firm.

In the light of the foregoing, Modigliani and Miller concluded that the issue of dividend policy is irrelevant.

2.2.2 Dividend Relevance Theory

The dividend relevance group believes that under conditions of uncertainty, investors are not indifferent as to how the earnings stream is split between dividends and retained earnings. Williams (1938) was one of the earliest protagonists of the view that dividends were all that mattered. He stated rather sarcastically in his book the theory of investment value: 'A cow for her milk', 'a hen for her eggs', 'and a stock for her dividend'.

Williams' prime contention is that the sole reason for an investor to purchase shares for a common stock is to receive future income. Income to shareholders consists of dividends, capital gains or losses upon shares. Thus, if dividends are forth coming presently then the value of equity investment is calculated on the basis of the discounted value of those future dividends and capital gains. He therefore, asserts that over long period stock prices reflect the present value of the expected dividends. Walter (1956) argued that dividend policy should be dependent on the investment opportunity available to the company or firm. He was of the opinion that so long as there are investments opportunities from which the firm earn rate of return (r) which is higher than the firms weighted average cost of capital (Ko) the firm should pay no dividend to its shareholders. But if there are no such opportunities, the firm should pay-out a part of its profits.

2.2.3 Bird in Hand Theory

The "Bird in Hand" theory of Gordon (1962) argues that outside shareholders prefer a higher dividend policy. They prefer a dividend today to a highly uncertain capital gain from a questionable future investment. Al-Malkawi (2007), asserts that in a world of uncertainty and information asymmetry, dividends are valued differently from retained earnings (capital gains). The firm with a higher dividend payment would be valued more highly than one with a lower dividend payment. Due to uncertainty of future cash flow, investors will often tend to prefer dividends to retained earnings. Though this argument has been widely criticized and has not received strong empirical support, the main assumptions are:

(i) Those investors are taxed at a higher rate than when capital gain is realized on the sale of a share.
(ii) Also, that dividends function as a signal of expected cash flows.

Despite the tax disadvantage of paying dividends, management still go ahead to pay dividends to send a positive signal about the firm's future prospects. The cost of this signalling is that cash dividends are taxed higher than capital gains. While some investors would rather have capital gains to cut down on tax impact, others may want dividend because of immediate cash requirement. He also assumed that assets in which management invest in, outlive the stay of management in position, and that ownership of the assets is transferred to other management overtime.

2.2.4 Agency Cost and the Free Cash Flow Theory

Agency cost is the cost of the conflict of interest that exists between shareholders and management. This arises when management acts for themselves rather than on behalf of shareholders who own the firm. This could be direct or indirect. Though this is contrary to the assumption of Modigliani and Miller (1961), who assumed that managers are perfect agents for shareholders and no conflict of interest exist between them. This is somewhat questionable, as the owners of the firm are different from the management. Managers are bound to conduct some activities which could be costly to shareholders such as undertaking unprofitable investments that would yield excessive returns to them, and unnecessarily high management compensation (Al-Malkawi, 2007). These costs are borne by shareholders; therefore, shareholders of firms with excess free cash flow would require high dividend payment instead. Agency cost may also arise between shareholders and bondholders, while shareholders require more dividends, bondholders require less dividends to shareholders by putting in place debt covenant to ensure availability of cash for their debt repayment. Easterbrook (1984) also identified two agency cost; the cost of monitoring of managers and the cost of risk aversion on the part of managers.

2.2.5 Signalling Hypothesis Theory

Though Modigliani and Miller (1961), assumed that there is perfect knowledge about a firm by investors and management, this has been countered by many researchers as management who look after the firm tend to have more precise and timely information about the firm than outside investors. This therefore creates a gap between managers and investors and to bridge this gap, management uses dividend as a tool to convey private information to shareholders (Al-Malkawi, 2007). Pettit (1972) observed that the amount of dividend paid seem to carry great information about the prospects of a firm, this can be evidenced by the movement of share price. An increase in dividend may be interpreted as good news and brighter prospects and vice versa. But Lintner (1956) observed that management is reluctant to reduce dividend even when there is the need to do so. And only increase dividend when it is believed that earnings have permanently increased.

2.2.6 Clientele Effects of Dividends Theory

Investors tend to prefer stocks of companies that satisfy a particular need. This is because investors face different tax treatment for dividends and capital gains. They also face some transaction cost when they trade securities. Modigliani and Miller (1961) argued that for these costs to be minimized, investors lean towards firms that would give them those desired benefits. Likewise, firms would attract different clientele effect which may change the firms‟ dividends policy, one clientele is as good as another, and therefore dividend policy remains irrelevant. Al-Malkawi (2007) affirms that firms in their growth stage, which tend to pay lower dividend would attract clientele that desire capital appreciation, while those firms in their maturity stage which pay higher dividends attract clientele that require immediate income in the form of dividend. Al-Malkawi (2007), grouped the clientele effect in two, those that are driven by tax effects and those driven by transaction cost. He argued that investors that are on high tax bracket would prefer firms that pay little or no dividend to get reward in the form of share price appreciation and vice versa. Transaction cost induced clientele on the other hand, arises when small investors depend on dividend payments for their needs; prefer companies who satisfy this need because they cannot afford the high transaction cost in selling securities.

2.3 Empirical Review

Review of Studies from Developed Countries

Anton (2016) carried out a study on the impact of dividend policy on Romanian listed firms. The study made use of sixty-three non-financial firms listed on the Bucharest Stock Exchange over the period 2001-2011. Employing a fixed effects model, the study found that dividend pay-out ratio positively influences firm value after controlling for other firm-specific variables. Furthermore, leverage and firm size were found to have a positive effect on firm value.

Jozwiak (2014) investigated the factors influencing dividend policy of nonfinancial listed companies of Warsaw Stock Exchange of Poland. The factors studied include leverage, liquidity, profitability, size and risk. Findings reveal negative impact of leverage and profitability on dividend pay-out i.e. firms with high profitability pay low dividend to retain capital for future investment. Firms with high leverage pay low dividend due to high interest payments.

Review of Studies from Developing Countries

Bezawada and Tati (2017) carried out a study on dividend policy and firm valuation in Indian Electrical Equipment Manufacturing Industry. The study adopted a sample of dividend paying electrical machinery manufacturing companies listed in Bombay Stock Exchange (BSE). There were 439 companies in the industry of electrical machinery manufacturing. Out of them 194 companies were listed in the Bombay Stock Exchange (BSE) and there were 72 companies spaying dividends frequently. Therefore, the data of these 72 companies were taken into consideration. Data were collected from this companies were analysed using regression analysis. The study revealed the empirical evidence with some of the dividend irrelevance theories such as M&M. The results indicated that there was a negative non-linear association between market value of a share and the dividend yields.

Budagaga (2017) carried out a study on dividend payment and its impact on the value of 44 firms listed on the Istanbul Stock Exchange (ISE) between 2007 and 2015. The study adopted panel regression for data analysis with market value of firm as the dependent variable, book value of equity per share at end of year and residual income as independent variables. The findings showed a positive significant relationship between dividend payments and the value of firms. The results tend to support agency cost rather than the signalling hypothesis explanation. Moreover, the study suggested that the dividends irrelevance hypothesis is invalid in the case of firms listed on the (ISE).

Review of Studies from Nigeria

Nwamaka and Ezeabasili (2017) carried out a study on the effect of dividend policies on firm value among 10 quoted firm in Nigeria between 1995 and 2015. The study adopted an ordinary least square regression analysis for secondary data analyses with market price per share (MPS) as dependent variable, Earnings per Share (EPS) and Dividend Per Share (DPS) as independent variables. The study showed the relevance of dividend, dividend as a signalling model and proves that firm value is greatly influenced by dividend policy as far as public limited companies are concerned.

Egbeonu (2016) carried out a study on the effect of dividend policy on the value of firms quoted on the Nigeria Stock Exchange. The data employed in the study was computed as weighted average of five-year summary extracted from the audited financial reports of firms selected at random from Nigeria stock exchange. Data was analysed using econometric tools such as unit root stationary test, multiple OLS regression, granger causality test, impulse response innovation and variance decomposition tests. The result of the study revealed that dividend per share was significant and inversely related to share value of the firm while earning per share was both positive and significant to share value of firms. The study concluded that earnings per share were the predominant variable to influence the share value of firms. It was therefore recommended that finance managers should play an important role in the debt-equity mix in the balance sheet in order to magnify the earnings per share as this would reflect in the wealth of shareholders.

3.0 METHODOLOGY

3.1 Research Design

Ex-post-facto research design was employed for this study. Descriptive and Inferential statistics were adopted. This study is descriptive in nature because it gathers information about the related companies and gives more accurate information about dividend policy and firm value of listed consumer goods companies in Nigeria

3.2 Population, Sampling Technique and Sample Size

The population for the study comprised twenty-three consumer goods companies listed on the floor of Nigeria Exchange limited (NGX). The study employed the use of convenient sampling technique in selecting ten out of the twenty-three consumer goods companies which are Friesland Campina WAMCO Nigeria, Dangote Group, Nestle Nigeria Plc, Flour Mill Nigeria Plc, PZ Cussons Nigeria Plc, Unilever Nigeria Plc, 7up Bottling Company Plc, Cadbury Nigeria Plc, Guinness Nigeria Plc and Honeywell Flour Mill Plc.

3.3 Model Specification

Model Specification

The model adopted in this study was based on the work of Egbeonu *et al.* (2016) as stated below;

$MVS = f(EPS, DPS, IRR)$ ……………………………………………………. (1)

Where;

MVS = Market value of share

EPS = Earnings per share

DPS = Dividend per share

IRR = Internal rate of return

In order to achieve the objectives stated in the study, the model was modified as stated below;

$FV_{it} = f(EPS_{it}, DPS_{it}, DPR_{it})$ ………………………………………………… (2)

Explicitly expressing equation (2) in econometrics form became

$FV_{it} = \alpha_0 + \alpha_1 EPS_{it} + \alpha_2 DPS_{it} + \alpha_3 DPR_{it} + e$ …………………………………...(3)

Where;

FV = Firm Value (₦)

EPS = Earnings per share (₦)

DPS = Dividend per share (₦)

DPR = Dividend pay-out ratio (%)

α_0 = Constant.

α_1 - α_3 = Coefficients estimated.

e = error term.

i = (5 years' period)

t = (2018 – 2022)

4.0 Data Presentation & Analysis

4.1 Descriptive Statistic

Table 4.1. Descriptive Statistic of Variables

Variable	FV	EPS	DPS	DPR
Mean	148.2910	1.520860	0.760600	0.640700
Median	23.95500	0.825000	0.000000	0.569500
Maximum	1555.990	7.930000	7.000000	1.897000
Minimum	0.400000	-1.340000	0.000000	0.000000
Observations	50	50	50	50

Source: Field Survey (2024)

Results on descriptive statistics (Table 4.1) of the variables employed in the study revealed that the average FV was ₦148. The maximum was ₦1,556 and the minimum was 4 kobo. The average EPS was ₦1.52. The maximum was ₦7.9 and the minimum was ₦-1.3. The average DPS was 7 kobo. The maximum was ₦7 and the minimum was ₦0. The average DPR was 6 kobo. The maximum was ₦1.9 and the minimum was ₦0.

4.2 Correlation Analysis

Table 4.2. Correlation Analysis

Variable	FV	EPS	DPS	DPR
FV	1.000			
EPS	-0.094	1.000		
p-value	(0.516)			
DPS	0.047	0.448	1.000	
p-value	(0.745)	(0.001)		
DPR	0.261	-0.049	0.269	1.000
p-value	(0.068)	(0.735)	(0.059)	

Source: Field Survey (2024)

Results (Table 4.2) on pair wise correlation analysis of the variables under study revealed that the correlation coefficient of EPS was -0.094 and was not significantly related to FV. The result implied that an increase in EPS would result in a decrease in FV. The correlation coefficient of DPS was 0.047 and was not significantly related to FV. The result implied that an increase in DPS would result in an increase in FV. The correlation coefficient of DPR was 0.261 and was not significantly related with FV. The result implied that an increase in DPR would result in an increase in FV.

4.3 Multicollinearity Test

To test for multicollinearity among the independent variables, the result from the correlation matrix was employed. The results in Table 4.2 revealed that the correlation coefficients of the independent variables ranged between -0.049 to 0.488 with no pair or measure exceeding 0.8 value suggesting that no multicollinearity problem among the independent variables (Asteriou & Hall, 2011).

4.4 Panel Regression Analysis

Table 4.3. Panel Regression Results

Variable Dependent Variable (FV)	Fixed Effects (FE)	Random Effects (RE)
(Constant)	176.457	175.221
t-statistic	[4.726]	[1.714]
p-value	(0.000)	(0.093)
EPS	-3.985	-4.659
t-statistic	[-0.328]	[-0.403]
p-value	(0.745)	(0.689)
DPS	14.946	13.864
t-statistic	[0.807]	[0.796]
p-value	(0.425)	(0.430)
DPR	-52.244	-47.431
t-statistic	[-1.688]	[-1.537]
p-value	(0.100)	(0.131)
R – Squared	0.083	0.083
F – Statistic	1.120	
p-value	(0.353)	
Wald Chi-square statistic		2.770
p-value		(0.428)
Hausman Test (Chi – Square)		0.600
p-value		(0.895)
Observation	50	50

Source: Field Survey (2024)

Result from the FE showed that EPS (β = -3.985, $p > 0.745$) was statistically insignificant at 5% critical level. The result implied that a one-naira increase in EPS would result in about ₦4 decrease in FV when other variables are held constant. DPS (β = 14.946, $p = 0.425$) was statistically insignificant at 5% critical level. The result implied that a one naira increase in DPS would result in about ₦15 increase in FV when other variables are held constant. DPR (β = -52.244, $p = 0.100$) was statistically insignificant at 5% critical level. The result implied that a one per cent increase in DPR would result in about 52 % decrease in firm value when other variables are held constant. The R^2 was 0.083 which implied that about 8% variance in FV was explained by EPS, DPS and DPR. The F-statistic = 1.120 with p-value > 0.05 which was statistically insignificant at 5% critical level. Therefore, it was concluded that the EPS, DPS and DPR were not significant in explaining changes in FV.

The result from the Random Effects (RE) regression analysis showed that EPS (β = -4.659, $p = 0.689$) was statistically insignificant at 5% critical level. The result implied that a one-naira increase in EPS would result in about ₦5 decrease in FV when other variables are held constant. DPS (β = 13.864, $p = 0.430$) was statistically insignificant at 5% critical level. The result implied that a one-naira increase in DPS would result in ₦14 increase in firm value when other variables are held constant. DPR (β = -47.431, $p = 0.131$) was statistically insignificant at 5% critical level. The result implied that a 1% increase in DPR would result in about 47% decrease in firm value when other variables are held constant. The R^2 was 0.083 which implied that about 8% variance in FV was explained by EPS, DPS and DPR. The Wald-Chi = 2.770 with p-value > 0.05 which was statistically insignificant at 5% critical level. Therefore, it was concluded that the EPS, DPS and DPR were not significant in explaining changes in FV.

In order to determine the best model between FE and RE model, the Hausman specification test was employed. The null hypothesis was that RE was desirable while the alternative hypothesis was that the FE was desirable. The result from the test showed that the probability value of 1.000 was greater than 5% therefore, the null hypothesis was accepted which suggested that the RE model was statistically preferred to FE model.

4.5 Discussion of Findings

Findings from this study revealed that the coefficient of earnings per share was -4.659 with probability value greater than 5% critical level. The result implied that earning per share impacted negatively on the market price per share of the selected listed firms in Nigeria during the period under study. It was therefore deduced from the study that earnings per share has a negative and insignificant effect on firm value which implied that an increase in earnings per share did not support the increase in firm value. The negative relationship between earnings per share and firm value implied that company with higher earnings per share does not balance with higher firm value. On the other way around, low earnings per share does not reflect low firm value. This is because not all of the net profits earned by the company are shared to shareholders as dividend, but net profit is prioritised to finance new activities or investment. This finding was in line with the findings of Rosikah, Prananingrum, Muthalib, Azis and Rohansyah (2018) who found in their study a negative and insignificant effect of earnings per share on firm value of firm listed on the Indonesian Stock Exchange Market. The research result was contrary to the finding of Wiguna and Mendari (2008) in their study which indicated that earnings per share greatly affects share price.

In addition, findings from this study revealed that the coefficient of DPS was 13.864 with probability value greater than 5% critical level which implied that dividend per share impacted positively on the market price per share of the selected listed firms in Nigeria. This result and decision was further strengthened by the insignificant probability value hence, it was deduced from the study that dividend per share has a positive and insignificant effect on the market prices of shares. The finding supported the theory of dividend irrelevance theory which stated that dividend policy has no effect on the price of shares and it has no impact on a shareholder's wealth under the Perfect Capital Market (PCM) which assumes rational investors. The finding was in line with the finding of Graham and Dodd (1951) who concluded that a dollar of dividends has positive effect on share price as a dollar of retained earnings; Adesola and Okwong (2009) who carried out an empirical study of dividend policy of quoted companies in Nigeria and Khemaies (2010) whose empirical investigations reveal that Tunisian investors reward firms that are paying cash dividends while the result was not in line with Bhattacharya (1979), John and Williams (1985), Miller and Rock (1985), Shefrin and Statman (1984), Allen and Michaely (1995) and Ross, Westerfield and Jaffe (2002) that dividend policy affects a firm's share price negatively while it was not in line with the result. Lastly, finding from the test of hypothesis three revealed a negative coefficient of -47.431 indicating an inverse relationship between dividend pay – pay-out ratio and firm value of the selected listed firms. The probability value was also greater than 5% critical level. This finding indicated that dividend pay – out ratio has a negative and insignificant effect on firm value of the selected listed firms. The finding was in line with the study of Khaled, Awuriwo and Chijoke (2011) who propounds a negative relation between dividend pay-out ratio and stock price changes. However, Okafor, Mgbame and Chijioke-Mgbame (2011) in their study on dividend policy and share price volatility in Nigeria found that dividend pay-out ratio another measure of dividend policy, showed negative influences in some years and positive influences on others though all were at lower significant levels while the result was not in line with the outcome from the study of conducted by Timothy and Ochuogho (2009) whose findings indicated that dividend pay-out was a major factor affecting firm performance in a study of listed companies in Kenya.

Overall, it was deduced from the study that dividend policy does not have significant effect on firm value of the selected listed firms on the Nigeria Stock Exchange market during the period under study. This finding was attributed to the fact that many of the sampled firms did not declare dividend during the period under review except Nigeria breweries, Nestle Plc and Guinness Plc.

5.0 Summary, Concluding Remarks and Recommendation

The study examined the effect of dividend on firm value in order to find out whether earnings per share, dividend per share and dividend pay-out ratio have statistically significant effect on firm value proxies by market share price among listed consumer goods companies in Nigeria from 2013 to 2017. The study employed *ex-post facto* research design method which involved the collection of data from observation had taken place. Data for the study was gathered from the audited annual reports and statement of accounts of ten listed leading consumer goods companies which were Friesland Campina WAMCO Nigeria, Dangote Group, Nestle Nigeria Plc, Flour Mill Nigeria Plc and PZ Cussons Nigeria Plc, Unilever Nigeria Plc, 7up Bottling Company Plc, Cadbury Nigeria Plc, Guinness Nigeria Plc and Honeywell Flour Mill Plc. The data collected were analysed using panel regression analysis which involved the use of fixed effects which which controlled for all time-invariant differences between the individuals and the random effects model which allowed for time-invariant variables to play a role as explanatory variables with the aid of STATA 16 computer software. The result from the descriptive statistic revealed that the average FV was ₦148. The maximum was ₦1,556 and the minimum was 4 kobo. The average EPS was ₦1.52. The maximum was ₦7.9 and the minimum was ₦-1.3. The average DPS was 7 kobo. The maximum was ₦7 and the minimum was ₦0. The average DPR was 6 kobo. The maximum was ₦1.9 and the minimum was ₦0. The result from the pair wise correlation analysis revealed that the correlation coefficient of EPS was -0.094 which was not significantly related to FV, the correlation coefficient of DPS was 0.047 which was not significantly related to FV and the correlation coefficient of DPR was 0.261 which was not significantly related with FV. The result from the random effects panel regression analysis revealed that EPS (β = -4.659, $p > 0.05$) was statistically insignificant at 5% critical level, DPS (β = 13.864, $p > 0.05$) was statistically insignificant at 5% critical level and DPR (β = -47.431, $p > 0.05$) was statistically insignificant at 5% critical level. Overall, dividend has no significant effect on firm value of the listed consumer goods companies during the period under study.

5.2 Conclusion

Dividend is that portion of the net profit that is distributed to shareholders on a pro-rata basis (Agarwal, 1991). There are various factors that affect the payment of dividend such as: liquidity, government policy, investment decisions, taxation among others. Difference schools of thought have contributed to identify the relevance of dividend policy in determining the value of a firm. Based on this assertion, the study examined the effect of dividend on firm value among ten listed consumer goods firms from 2013 to 2017 in order to corroborate various assertions made by the different schools of thought. Based on the analysis conducted, the study concluded that earnings per share, dividend per share and dividend pay=out ratio do not affect firm value of consumer goods companies in Nigeria during the period under study which corroborated the dividend irrelevance theory that postulated the irrelevancy of dividend in determining the share value of a firm as it does not impact on the shareholder's wealth. Overall, the study concluded that dividend does not affect the firm's value of listed consumer goods companies in Nigeria from 2013 to 2017.

5.3 Recommendations

Based on the findings from this study, the following recommendations were made:

(i) There is need for the management of the companies to ensure that they maintain the current level of earnings per share allocated to shareholders because an increase would impact negatively on their profitability level.

(ii) There is need for the manufacturing companies to increase dividend per share since the payment of dividend will increase firm value by building shareholders confidence as well as encouraging other shareholders to invest in the firm.

(iii) There is need for the management of the manufacturing companies to ensure that dividend pay-out ratio is determined by the level of profitability and retained earnings so that larger percentage does not go out to shareholders which in turn will affect the performance of the companies.

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THE NEXUS BETWEEN ENVIRONMENTAL ACCOUNTING AND REPORTING PRACTICES IN SELECTED DEPOSIT MONEY BANKS IN NIGERIA

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ABSTRACT

This research work examined the impact of environmental accounting and reporting practices in Nigeria Listed Deposit Money Banks. This research work makes use of primary data. The primary data were collected from the total number of 34 Accountants, taking two from each Deposit Money Banks. (which methodology is employed? Please state). The main findings of the study are that: i) the respondents have felt the strong significance of EA (Environmental Accounting) and ER (Environmental Reporting) in their Annual Reports, ii) the respondents have also been aware for EA and ER practices, iii) the respondents have identified some major problems involved in EAR (Environmental Accounting and Reporting) practices as shown table 4 and also have suggested some measures as presented in table 5. From the above discussions, it is clear that EAR practices in DMBs is highly significant but not too satisfactory as there are many issues hindering them from carrying out best practices in EA and ER and hence poor in real sense of the term. Therefore, in order to improve the EAR practices in the DMBs, the proper authority need to implement the suggestions put forward by the respondents without any further delay.

Keywords: Environmental Accounting, Reporting Practices, Deposit Money Banks Nigeria.

1.0 Introduction

The modern accounting is not only concerned with record keeping and reporting of information to the investors but it aims at fulfilling the information needs of a wide range of internal and external stakeholders. It is now considered as a service activity. Estimating and accounting for the costs of environmental impacts is a rapidly developing area of management, accounting, and finance (Fakir *et al,* 2016). Its function is to provide quantitative information primarily financial nature about economic activities that is intended to be useful in making economic decision.

Organizations exist as a subsystem of the society. It could happen that the undertakings of an entity, its human assets, physical assets, infrastructures (e.g. offices, branches, equipment), and engaged facilitators of its business activities and operations such as suppliers, contractors and third party service providers could deliberately or accidentally cause damage to the environment and the society (Oyewo and Badejo (2015). To put it differently, business activities could, in uncontrolled circumstances, produce unfortunate negative Environmental and Social (E&S) impacts including air and water pollution; destruction of biodiversity and ecosystems; threats to human health and safety; violations of labour rights; displacement of livelihoods. It does make sense to give back to the society for this disturbance, necessitating sustainable development. Miles (2015) opines that giving back to the society may not necessarily be monetary or materialistic. The process starts with conducting business operations in such a manner that the society is not damaged, deterioration minimized or the remediation of damage done is corrected in a timely fashion.

Due to growing public concern about the alarming impact of industrial activities on nature companies are under pressure from both Government and society to reduce adverse impacts of their activities on the environment. The performance of an Organization is now being judged not only on the basis of its financial results, but also with regards to its contribution to protect and improve the environment.

Environmental issues have become an important variable in the models used by the investors and creditors to determine the risk associated with their investment. In the developing scenario, the need for accounting and reporting on the environment has been largely felt. As a result accounting of environmental issues, their disclosure in the environmental issues and their disclosure in the annual reports or by other medium has become an important part of corporate accounting and reporting systems. In order to improve the quality of what companies report, there is a need to examine the ways in which companies include environmental indicators in their corporate reports. From prior studies in the Nigerian context, there is little research on the significance and issues of environmental accounting in Deposit Money Banks (DMBs).

Moreover, some prior studies examined the number of only two type of indicator that is, economic and social.

Financial institutions have been considered as less environmentally sensitive based on their business operations. However, the services of their clients such as companies and individuals operating in the oil sector, deposit money banks and agricultural sector, amongst others could be prone to environmental and sustainability risks. The Global Reporting Initiative (GRI, 2015) recognizes the need for financial institutions to be accountable for their social, economic and environmental impacts and has put in place the financial services sector disclosures therefore the study seeks. The main objective of the study is to examine the environmental accounting and reporting practices, its significance and issues in listed deposit money banks in Nigeria.

Statement of the Problem

Environmental accounting is one of the key areas of accounting in recent times and it has been highly recognized and given top priority in developed economies and world. In Nigeria and many developing economies, environmental accounting has not been given the needed attention as accounting practices still focuses on financial accounting and book keepings.

Therefore, the importance needed to be given to environmental accounting in Nigeria is not given. This makes it difficult to have the information needed on the impact of companies and organization on the environment leading to different environmental problems in our society.

Objectives of the Study

The major objective of the study is to investigate the relationship between environmental accounting and reporting practices of listed Deposit Money Banks in Nigeria. The specific objectives are:

i. To determine the relationship between waste management costs and return on assets of listed deposit money banks in Nigeria.

ii. To explore the relationship between community development cost and return on equity of listed deposit money banks in Nigeria.

iii. To ascertain the relationship between employee health and safety costs and earnings per share of listed deposit money banks in Nigeria.

Hypotheses

The following hypotheses were formulated and tested at 0.05 level of significance:

H_0i: There is no significant relationship between waste management costs and Return on assets of listed deposit money banks in Nigeria.

H_0ii: There is no significant relationship between community development cost and return on equity of listed deposit money banks in Nigeria.

H_0iii: There is no significant relationship between employee health and safety costs and earnings per share of listed deposit money banks in Nigeria.

2.0 Literature Review

Conceptual Review

Environmental Accounting

Environmental accounting involves the identification, measurement and allocation of environmental costs, and the integration of these costs into business and encompasses the way of communicating such information to the companies' stakeholders (Pramanik *et al*, 2017).

Environmental accounting is defined as the identification, collection, estimation and analysis of environmental cost information for superior decision-making within the firm. It can be defined as the generation, analysis, and use of financial and non-financial information in order to optimize corporate, environmental and economic performance, achieving a sustainable business the ultimate objective of environmental accounting is to clearly indicate the environmental cost of each process, separating the non-environmental costs from the environment costs (Fakir *et al,* 2016).. Therefore implementing an environmental accounting system can provide more accurate information for Analysis options because environmental accounting ensures that management decisions are made with knowledge .Environmental accounting is a field that is promising and developing (CICA 2015). Its goal is the identification, measurement and communication of the costs from an entity's actual or potential impact on the environment (CICA 2015). To include environmental information in the accounting system of a company is one way to start to include sustainable development in everyday business decisions. A very important function of environmental accounting is to bring environmental costs to the managers; therefore, motivating them to identify ways to reduce and avoid economic costs related to the environment and at the same time reduces the company's environmental impact.

Functions of Environmental Accounting

According to Bebbington (2015) there are seven functions of environmental accounting, which are:

i. Recognizing and seeking to mitigate the negative environmental effects of conventional accounting practices

ii. Separately identifying environmentally related costs and revenue within the conventional accounting systems

iii. Taking active steps to set up initiatives in order to ameliorate existing environmental effects of conventional accounting practices

iv. Devising new forms of financial and non-financial accounting system. Information systems and control systems to encourage more environmentally design management decisions

v. Developing new forms of performance measurement, reporting and appraisal for both internal and external purposes

vi. Identifying, examining and seeking to rectify areas in which conventional (financial) criteria and environmental criteria are in conflict

vii. Experimenting with ways in which sustainability may be assessed and incorporated into organizational orthodoxy.

Need for Environmental Accounting

Despite of the significance changes to environmental information in business financial reporting and decision-making in the content, in a comprehensive study Epstein (2016) concluded that most companies do not know the possibility of their environmental costs. As a result, they do not know what causes those costs. It is generally agreed that, decades ago, the lack of understanding of the eventual environmental impacts of products and services together with the related liabilities caused companies to ignore the consideration of those impacts in their calculation of product costs. Traditional accounting is limited when it comes to measuring natural wealth. Accountants measure assets, earnings, one year behind the times. If we want to account for the environment, we have to look forward. Accountants need to develop new ways to account for natural resources. Environmental accounting forms that part of accounting that deals with environmental concerns. Although it is indivisible from financial and managerial accounting, it addresses specifically the environmental costs related to information systems that permit data collection and analysis, performance follow up, decision making and accountability for the management environmental risk and costs (Fakir *et al*, 2016).

Environmental Accounting helps to know whether corporation has been discharging its responsibilities towards environment or not. Basically, a company which DMBS is not left out has to fulfill some environmental responsibilities such as, meeting regulatory requirements, cleaning up pollution that already exists and properly disposing of the hazardous material and disclosing to the investors both potential & current, and the amount and nature of the preventative measures taken by the management. To achieve these goals environmental accounting helps to design and implements the environmental management systems to incorporate environmental considerations into the capital budgeting decision, and to calculate costs and savings of environmental projects including formulation of strategies.

Theoretical Review

Stakeholder's Theory

This research work is premised on the stakeholders' theory. The stakeholders theory posits that the organization exist not primarily for itself and owners but also for the benefit of the society. Moral and value considerations are as important as profitability matters in a business (Mansell, 2016; Miles, 2015). Recognizing that there are other stakeholders that have interest in the organization has implications for business policy and strategies, such as striking a balance between environmental sustainability and profitability. Czyzewski and Hull (1991) submitted that an organization that places too much concern on profitability with little or no consideration for environmental sustainability may not remain competitive in the long run because, for organizations to remain going concerns, maintaining relevance by solving the environmental, social and economic problems of the society becomes sacrosanct.

The stakeholders' theory, in the context of this research, posits that organizations engaging in environmental sustainability development practices are doing so, as a way of giving back to the society. They are not just concerned about the owners of the organizations (shareholders) but also other stakeholders such as the government and their host community. It is this realization that therefore spurs them to get involved in environmental sustainable developments good environmental accounting and reporting system. Therefore the understanding that by giving to the society, the company will benefit more should naturally motivate any rational individual, group, or organization to intrinsically and willingly give to the society.

Legitimacy Theory

Legitimacy theory explains and considers the relationship between organization and society (Killic *et al*, 2015) Suchman (1995) defines legitimacy as a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within the same socially constructed system of norms, values, beliefs and definitions. Legitimacy theory in the research can be divided into strategic and institutional (Comyns, 2015). Strategic legitimacy consists of resources and control which an organization uses to achieve social support over managerial performance (Comyns, 2015). Strategic legitimacy explains organizations' desire and motivation for Environmental Accounting and Reporting (EAR) and Sustainability issues.

From the legitimacy perspective EAR reporting is an influential utensil of a company to communicate with society (Lu *et al*, 2015). Legitimacy is important for every organization to manage its strong and reputed position and status in the society and to know the reactions of respondents from the society. For the legitimacy concern companies are interested in disclosing positive information rather than negative information (Sobhani et *al*, 2015). Organizations in both developed and developing countries use publications and reports to mitigate pressure on controversial environmental decisions by which legitimacy is threatened (Comyns, 2015). Therefore, we expect that Nigeria banking companies will disclose EAR information to cope with the legitimacy pressure from the societal exceptions.

Empirical Review

Environmental management accounting for the first time was researched in Nigerian consumer goods enterprises by Okegbe and Ofurum (2019). The study aimed to assess how much environmental rehabilitation, pollution control, and environmental safety influence the profitability of publicly traded Nigerian retail companies, and to what extent environmental protection influences the returns on assets of publicly traded Nigerian consumer goods companies. Time-series data and ex post facto research approaches were used in this study. Regression analysis in SPSS Version 20 was used to put the stated assumptions to the test. According to the study, environmental restoration, pollution control, and environmental protection expenditures have an influence on the returns on assets of listed Nigerian consumer goods businesses. These findings led to recommendations such as doing environmental assessments on a regular basis to increase sales and revenue for companies while also ensuring that environmental conditions are satisfied, among other things.

According to study done by Oti, Effiong and Tiesieh (2012) on environmental expenditures, revealed that environmental accounting has a positive influence on the return on investment of manufacturing businesses in Nigeria.

Studies have looked at how environmental costs affect company performance (Adediran & Alade, 2013). Environmental expenditures have a large negative influence on a firm's Return on Capital Employed and Earnings per Share, according to quantitative information obtained from the yearly reports of fourteen randomly picked firms.

It has been shown that environmental expenditures have a major impact on corporate performance. Through the use of multiple regression analysis, the relationship between company performance and the CDC, WMC, and employee health and safety costs of sustainable business practices (EHSC) was examined. Since sustainability may be used as a means of settling corporate disputes, the research found that there was a reduction in fines, penalties, and compensations paid to oil company host communities. Managers and staff in Nigeria's Niger Delta need a conflict-free work environment if oil companies are to establish an effective environmental costing system and, as a result, improve overall corporate performance.

Osisioma et al., (2015) discovered a substantial association between the cost of social responsibility and profitability when they examined the financial performance of selected Nigerian enterprises. The research recommended that Nigerian firms strengthen their commitment to social responsibility by donating a considerable amount of their earnings to social responsibility initiatives.

On a number of Nigerian Stock Exchange-listed companies, Omodero (2016) conducted research to see how environmental and socially responsible accounting affects financial performance. According to the analysis, the CSR spending of oil firms cannot be compared to the harmful effect their activities have had on their host communities over the previous five years.

Agbiogwu, Ihendinihu and Okafor (2016) investigated the performance of Nigerian manufacturing enterprises by looking at the influence of environmental and social costs. Environmental and social costs had a considerable effect on net profit margins, profits per share, and returns on capital invested in 2014 data from ten randomly chosen firms, according to the study's findings.

3.0 Methodology

The study is essentially based on DMBs in Nigeria. A total of 17 listed DMBs have been selected randomly and information on environmental accounting and reporting practices was obtained by contacting the bank sources for the year 2023. The data year is 2023. All the selected DMBs are the listed DMBs in Nigeria. The sample selection is influenced by the objectives of the study and is constrained by the accessibility to the selected DMBs. The sample design is shown in Table 1. Given the time and resource constraints, the nature of the study tends to be mainly exploratory and descriptive.

Table 1: Sample Design

S/N	Deposit Money Banks (DMBs)	Questionnaire in each Bank
1.	Access Bank Plc	2
2.	Eco Bank Nig. Plc	2
3.	Fidelity Bank Plc	2
4.	First Bank of Nigeria Plc	2
5.	First City Monument Bank (FCMB) Plc	2
6.	Guaranty Trust Bank Plc	2
7.	Heritage Bank Plc	2
8.	Keystone Bank	2
9.	Polaris Bank Nigeria Ltd	2

10.	Stanbic IBTC Bank Plc	2
11.	Standard Chartered Bank of Nigeria Plc	2
12.	Sterling Bank Plc	2
13.	Union Bank of Nigeria Plc	2
14.	United Bank for Africa Plc	2
15.	Unit Bank Plc	2
16.	Wema Bank Nigeria Plc	2
17.	Zenith Bank Plc	2
	Total	**34**

Source: *Researcher's Field Survey, 2024*

The present study has considered primary data in order to assess the, significance and awareness of the respondents as to the environmental accounting and reporting practices. The primary data relating to the problems involved in EAR (what is this EAR?) and suggestion of some measures as to overcome the problems were also collected. To this end, a total number of 34 Accountants, taking two (02) from each selected DMB were interviewed by direct method with the help of a structured questionnaire. Both the primary and secondary data collected for study purposes were processed manually to present the findings of the study.

4.0 Discussion of Findings

Significance of Environmental Accounting and Reporting Practices in Nigeria

The EAR can uphold the green image of DMBs. They can make their annual reports more informative by providing environmental information. This reporting is important for the following reasons (Belal, 2017).

i. It would aid the discharge of the DMBs accountability and increase its environmental transparency.
ii. It helps examining of the concept of environment and determining the DMBs relationship with the society in general and the environmental pressure groups in particular. This helps DMBs in seeking to strategically manage a new and emerging issue with its stakeholders.
iii. DMBs may be successful in attracting funds from 'environmentalist' individuals and groups.
iv. DMBs involving in environmental accounting report practices may take competitive marketing advantage.
v. DMBs may show their commitments towards innovation and change by making environmental disclosures.

vi. Environmental reporting may be used to combat potentially negative public options. In order to make environmental awareness, World Environment Day is observed on June 5 every year.

The major purpose of an environmental accounting system is its capability to assist in the understanding and management of potential tradeoffs between conventional economic development objectives and environmental goals as a tool of policy formulation. The theory of environmental management that has developed over the past three decades views the environment as a source of economic wealth whose value reflects the services provided to society by the environment. If these services were traded in conventional markets, they would presumably command a positive price, reflecting what society would be willing to pay for them, as well as their scarcity. With this theory in mind, and linking it with the conventional economic accounts, one approach is to define an additional economic sector, i.e., 'Nature', and to account for the non-marketed goods and services generated by this sector in a way that is similar to the treatment of marketed goods and services generated by conventional sectors (Peskin, 2015).

Accountancy has traditionally measured financial resources, but must now find ways to monitor the use and value of environmental resources both in terms of the raw materials consumed, the damage inflicted upon the environment by commercial activity and the waste disposal service which the environment provides. The lack of accurate environmental measurement within the traditional accounting model means that environmental goods and services are often undervalued, which contributes to their misuse and explanation. With mounting natural calamities, the need for incorporating environmental costs (expenditure) in the financial statements of both multinational corporations and DMBs and to introduce the concept of environmental accountability and have environmental costs appear in Board of Directors reports, financial statements and the auditors reports has been greatly felt. In the absence of comprehensive accounting standards in the area of environmental protection measures, it was not surprising that International Standards Accounting Review: 1989 found that both the quality and quantity of disclosure was quite limited. Generally, when information appeared, it was found in the board of directors' report rather than in the financial statements or the notes.

Environmental reporting is an important aspect of a DMBs information system for external communication. Many DMBs realize the value of voluntary reporting on clients' business environmental performance, in addition to financial results. Various stakeholders show an increasing interest in such information. An effective environmental report can help assure stakeholders of the DMBs strategy for continued financial success without affecting environment. Environmental accounting and hence reporting is thus a means of stakeholder communication.

In order to know the respondents' views regarding the significance of EAR a total number of 34 Accountants in DMBs have been surveyed. Their responses are tabulated below:

Table 2: Significance of EA and Reporting Practices on DMBs

Environmental Issues	Highly Significant	Significant	Neutral	Not Significant	Not at all Significant	WAS
Sign. of Environmental Accounting	26(76.4%)	4(11.8%)	0	4(11.8%)	0	4.7
Sign of Reporting Practices	28(82.4%)	6(17.6%)	0	0	0	4.9

Source: Field Survey, 2024

It is revealed from table 2 that 76.4% of the total respondents opined in favour environmental accounting is highly significant in DMBs; only 11.8% of the respondents opined in favour of significant only of environmental accounting in DMBs and the remaining 11.8% were not in favour of the significance of environmental accounting in DMBs. As regards the RP, 82.4% of the respondents were in favour of highly significance and the rest 17.6% were in favour of significant only. The (What is WAS) WAS for significance of EA has been calculated on 4.7 in the 5 Point Likert Scale. Again WAS for significance of RP has been computed at 4.9 in the 5 Point Likert Scale. All these figures signify the strong significance of EA and RP in the Financial Statement and Reporting practices of the selected DMBs.

Problems involved in (EA & ER can you state this in full?) Practices

One of the important objectives of the present study has been to identify the major problems involved in EARP in the listed DMBs. To this end our respondents were requested to mention the major problems of EARP. The following table shows the specific problems identified by the respondents:

Table 3: Problem involved in Environmental Accounting and Reporting Practices

Specific Problems		Frequency	Percentage (%)
A	**Legal Problems**		
1.	Lack of provision regarding EARP in the DMBs Act	34	100%
2.	Lack of provision in the National Environmental Management Action Plan regarding EARP	25	73.5%
3.	Lack of provision in Income Tax Ordinance regarding EARP	26	79.4%
4.	Lack of professional guidelines regarding EARP	17	50%
B.	**DMBs Problems**		
5.	Lack of policies and management supporting regarding EAR practices in DMBs	31	91.1%
6.	Shortage of qualified and trained staff in Environmental Accounting	28	82.3%
7.	Conflict with business motivation with EARP objectives	14	41.1%
C.	**Individual Level Problems**		
8.	Lack of knowledge and training of the Accountants on EARP	27	79.4%
9.	Lack of favourable attitude of the Accountant regarding EARP	19	55.8%

It is revealed from table 4 that the problems: "Lack of provision regarding EARP in the DMBs Act" and "Lack of policies and management support regarding EAR practices" were identified as the top most problems of EARP which have been identified by 100% and 91.1% respondents respectively. The next important problems are: "Shortage of qualified and trained staff in environmental accounting (82.3%)" and "Lack of provision in Income Tax Ordinance regarding EAR (79.4%)", "Lack of knowledge and training of the accountants on EARP" which was identified by 79.4% respondents. The next important problems are: "Lack of favourable attitude of the accountants regarding EARP." as identified by 55.8% respondents; "Lack of professional guidelines regarding EARP" as identified by 50% respondents and last problem namely "Conflict with business motivation with EARP objectives" has been identified by 41.1% respondents. Therefore, it can be said that all the selected listed DMBs have been facing the above mentioned problems of EAR practices in their respective banks.

Suggestions to Overcome the Problems

The selected respondents were also requested to suggest some measures as to overcome the above mentioned problems of EAR practices in their organization. Their suggestions are tabulated in table 5 below:

Table 4: Suggestion to Overcome the Problems

Specific Problems		Frequency	Percentage (%)
A	**Legal Problems**		
1.	Inclusion of provision regarding EARP in the DMBs act	34	100%
2.	Inclusion of provision in the National Environmental Action Plan regarding EARP	34	100%
3.	Making provision in Income Tax Ordinance regarding EARP	28	82.3%
4.	Existence of professional guidelines regarding EARP	28	82.3%
B.	**DMBs Problems**		
5.	Provision should be made regarding EARP in the DMBs policies and management support	28	82.3%
6.	Availability of qualified and trained staff in environmental accounting	27	79.4%
7.	Removal of conflict of EARP objectives with business motivation	17	50.0%
C.	**Individual Level Problems**		
8.	Continuous job training should be given to the Accountants on EARP	34	100%
9.	Attitude of the Accountants regarding EARP should be made positive	17	50.0%

Table 5 reveals that 100% of the respondents have put forward the following suggestions as to overcome the problem of EAR practices; Inclusion of provision regarding EARP in the DMBs act, inclusion of provision in the National Environmental Management Action Plan regarding EARP and Continuous job training should be given to the Accountants on EARP. Again, the following suggestions have been offered by 82.3% respondents; making provision in Income Tax Ordinance regarding EARP, Existence of professional guidelines regarding EARP, Provision should be made regarding EARP in the DMBs policies and management support. Also, one suggestion has been offered by 79.4% respondents as availability of qualified and trained staff in environmental accounting. Lastly, the following suggestions have been given by 50% respondents; removal of conflict of EARP objectives with business motivation and attitude of the Accountants regarding EARP should be made positive.

From the above discussions it can be said that all the above suggestions put forward by the respondents demand special attention of the appropriate authority in order to improve the EAR practices in the listed DMBs in Nigeria.

5. 0 Summary

Environmental accounting and reporting is very important as it involves the identification, measurement and allocation of environmental costs, and the integration of these costs into business and encompasses the way of communicating such information to the bank stakeholders which help them in making critical decisions that will protect the environment as well as improve the financial performance of the DMBs. It was revealed in table 2 that environmental accounting and environmental report are very significant in DMBs practices with WAS of 4.7 and 4.9 respectively. It was also revealed in table 3 that DMBs are aware of the significance of environmental accounting and environmental reporting with WAS of 4.50 and 4.57 respectively all under Likert scale of 5.0. it was also revealed in table 4 that environmental accounting and report is faced with couple of challenges with highest rating been lack of provision regarding EARP in the DMBs act accounting for 100% and lowest was conflict with business motivation with EARP objectives accounting for 41.1%. The study also revealed some suggestion of respondents in bringing solution to the identified problem of environmental accounting and reporting in DMBs such as inclusion of provision regarding EARP in the DMBs act, inclusion of provision in the National Environmental Management Action Plan regarding EARP, continuous job training should be given to the Accountants on EARP, among others.

6.0 Conclusion and Recommendation

The paper investigated the significance and issue of environmental accounting and reporting practices in listed DMBs in Nigeria. It was discovered that environmental accounting and reporting is highly significant in DMBs. It also established that there are a couple of problems in environmental accounting and reporting practices in listed DMBs in Nigeria. It is therefore concluded that environmental accounting reporting and practices should be encouraged and improved upon in the DMBs in Nigeria.

The following are the recommendations were made based on the findings of the study:

i. Regulatory bodies should develop a standard to guide the practices of Environmental Accounting and Reporting.

ii. Research and studies should be encouraged in the field of Environmental Accounting and Reporting Practices.

iii. DMBs should show data on environmental expenditure, environmental costs charged to income in the notes to the accounts in their annual reports.

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ASSESSING THE EFFECTS OF E-MARKETING ON PERFORMANCE OF SELECTED DEPOSIT MONEY BANKS IN OGUN STATE

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Abstract

This study assesses the effects of e-marketing on performance of selected deposit money banks in Ogun state. The primary objectives were to examine the relationship between digital marketing and profitability and growth of selected deposit banks in Ogun state. A thorough review of relevant literature informed the study, aligning with its objectives and previous research. Theoretical foundation is core competency theory. The research employed a survey research design, targeting a total population of 400 staff members a sample size of 397 was utilized. Primary data were gathered through questionnaires distributed to respondents. Regression analysis was used to evaluate the objectives and test the hypotheses. The study findings indicate that the level of significance (0.000) is less than the probability of committing a type one error (0.05), leading to the rejection of the null hypothesis. The results reveal that digital marketing has a significant influence on the profitability of Wema Bank Plc, with a strong positive relationship (β 0.988, p<0.01) between digital marketing and the bank's profitability. This implies that as the bank's investment and utilization of digital marketing strategies increase, it leads to a corresponding increase in its profitability. The study recommends that banks should continuously invest in research and development to identify emerging digital marketing trends and technologies, and explore opportunities to collaborate with digital marketing agencies, technology providers, and industry experts to leverage their expertise and stay at the forefront of the digital landscape.

Keywords: E-Marketing, Profitability, Growth, Financial Performance, Deposit Money Banks

1.0 INTRODUCTION

In an era defined by digital innovation and technological advancement, the landscape of business has been transformed in profound ways. One of the most consequential developments in recent years has been the rapid growth of digital marketing, which has emerged as a powerful tool for businesses to navigate and thrive in the digital age (Coşar, 2023). Digital marketing can be viewed as a new philosophy of the 21st century and a modern business tactic involved with the marketing of goods, services, information, and ideas via the worldwide web and other electronic means (Ndegwa, 2021). The purpose of digital marketing is to quickly attract consumers and potential customers (Park, Rishika, Janakiraman, Houston, & Yoo, 2018; Ritz, Wolf, & McQuitty 2019). Many businesses, especially those operating in a highly competitive sector such as commercial banks, engage in various digital marketing activities that can influence the behavior of their target audience in order to gain favorable views from them (Abdulquadri & Dixon-Ogbechi, 2022). Digital marketing refers to the promotion and advertising of products or services using various digital channels, platforms, and technologies (Desai & Vidyapeeth, 2019; Al-Azzam & Al-Mizeed, 2021). It is the essential platform for businesses to stay competitive in the market, and banking companies are using their different digital marketing platforms to reach bank customers, as clients are the lifeblood similar to the capital of any business organization (Akther, 2020).

Marketing in any organization is to identify the most profitable marketing services now and in the future, and assessing the present and future needs of customers (Yilma, 2019). Profitability is a significant determinant of a company's long-term operations and its market success. It provides information on the effectiveness of a company's business activities and its ability to achieve specific financial results in a given period, taking into account a company's volume of sales, assets, and equity (Kędzior & Kędzior, 2023). In the banking industry, the concept of profit can be seen from the perspective of banks being able to increase revenue and minimize cost to stay afloat through the strategies of product innovation, penetration, positioning, low prices and charges, high sales volume, and ability to meet customers' claims or demands when due (Marcus, Ruth, Chima & Abba, 2017). The performance of banks adopting digital marketing can be measured through the level of satisfaction derived by consumers, which contributes to its success or failure, and the ability of the consumers to continuously receive satisfaction affects the banks' profitability (Lodhi & Shoaib, 2017).

Organizational growth is a stage a company reaches when it can consider expansion and may look for additional options to generate more revenue. It is often a function of industry growth trends, business lifecycle, and the owners' desire for equity value creation (Indeed Editorial Team, 2022). This growth can be measured by the change in an organization's size, specifically in terms of membership or employment (Starbuck in Walters & Glombik, 2020). In today's digital age, businesses are leveraging the internet and electronic media to support and enhance their marketing efforts, resulting in rapid growth in digital marketing (Ali, Ejaz, Aleem, Saeed, Tahir, & Kashif, 2015). According to this study, the goal of the digital marketing is to create long-term customer relationships based on customer satisfaction and loyalty this comes by focusing on the needs and wants of customers, businesses can generate customer loyalty and repeat business, ultimately leading to increased profits and growth.

1.1 Statement of the Problem

The Nigerian banking industry has witnessed heightened competition, with deposit money banks (DMBs) not only competing with each other but also facing challenges from other types of organizations in the market (Soyinbo as cited in Yilma, 2019). Recent studies have found that one of the ways for banks to attract customers and ensure business continuity is through the adoption of digital marketing strategies (Labbad & Niketh, 2018; Vaibhava, 2019). The problem arises in the contemporary, highly competitive Nigerian banking landscape, where DMBs are seeking to leverage digital channels and data-driven marketing approaches to gain a competitive edge and improve their performance (Frank & Idenedo, 2023).

However, the extent to which these digital marketing efforts are translating to improved profitability and growth for DMBs remains unclear. Bankers need a better understanding of the process of digital marketing and its impact on bank performance (Oke, 2012). If the problem is not addressed, DMBs in Nigeria may struggle to remain competitive, innovative, and profitable in the long run, leading to a decline in the quality and accessibility of banking services, reduced financial inclusion, and broader macroeconomic consequences. The core problem this study aims to examine is the effect of digital marketing on business performance of deposit money banks in Nigeria and addressing this problem could have significant implications for the competitiveness, sustainability, and societal impact of the Nigerian banking sector.

1.2 Objective of the Study

The study objective is to assess the effects of e-marketing on performance of selected deposit money banks in Ogun state. Specific objectives of the study are to:

(i) examine the relationship between digital marketing and profitability of Wema bank Plc.

(ii) determine the relationship between digital marketing and growth of Wema bank Plc.

1.3 Research Questions

The research questions to be answered in the course of this study are:

(i) What is the relationship between digital marketing and profitability of Wema Bank Plc?

(ii) What is the relationship between digital marketing and growth of Wema Bank Plc?

1.4 Research Hypotheses

The research hypotheses to be tested and verified are:

H_{01}: There is no significant relationship between digital marketing and profitability of deposit banks

H_{02}: There is no significant relationship between digital marketing and growth of deposit banks

2.0 LITERATURE REVIEW

2.1 Conceptual review

2.1.1 Digital Marketing

The term digital marketing is synonymized with 'online marketing', 'internet marketing' or 'web marketing', thus in the USA, it is referred to as "online marketing", in Italy; web marketing while in other parts of the world as well the UK, it is commonly known as digital marketing, especially after the year 2013 (Vaibhava, 2019).Digital marketing is the essential platform to stay in the competitive market place and banking companies are using their different digital market platform to reach bank customers where clients' are the lifeblood similar to the capital of any business organization Akther (2020).Digital marketing is a key factor to any business regardless of its size. It helps business gain a substantial leap, by designing digital marketing to ensure that the organization stands-out from its competitors (Piabari, Horsfall, Uwhubetine, & Okpalap, 2022).

Ishaq and Reena (2018) categorized digital marketing into three channels namely: content marketing, social media marketing, and search engine marketing. Digital marketing refers to the process of promoting a brand, service or product on the internet through the usage of online channels and methods (Hofacker, et al., 2020). Digital marketing helps organizations to build lasting customer relationships. It is worth mentioning that nowadays the universal access to internet, the advanced technologies and the mobile gadgets widen the possibilities through which the companies can identify the customers' needs and attract their attention (Mitreva, Arsova & Apasieva, 2022). Singh (2019) opined that customers as well as potential customers may switch to competitors if they are unsatisfied with digital marketing of the bank.

2.1.2 Profitability

Profitability is a significant determinant of a company's long-term operations and its market success. It provides information on the effectiveness of a company's business activities and its ability to achieve specific financial results in a given period, taking into account a company's volume of sales, assets, and equity. (Kędzior & Kędzior, 2023).Profits are used to measure the success of a company in its business activities. A profit will be achieved if sales revenue exceeds the cost of the products. The increase in profit, of course, begins with an increase in sales compared to the costs incurred. Profits are used by a company to add its capital, pay its debts, and develop its business and other things (Karjo, Napitupulu, & Hermawan 2022).

Return on Investment (ROI) is a key performance indicator that quantifies the profitability of digital marketing activities. It can be calculated by comparing the gains (revenue, leads, etc.) generated through digital marketing campaigns to the costs incurred in executing those campaigns. A positive ROI indicates that a campaign is profitable, while a negative ROI suggests inefficiency (Abu-AlSondos, Nser, & Ziani, 2024). ROI in digital marketing refers to the value a company gains from its investment in paid advertising campaigns, measured in relation to the costs incurred. Accurately measuring ROI is a complex process, as it necessitates the consideration of various data points and performance indicators, such as sales rate, the rate of patronage and market shares. Inaccurate measurement can result in misinformed decisions, leading to wasted resources and missed opportunities for growth (William, Ahmad, Deepak, Gupta, Bajaj, & Deshmukh, 2024).

2.1.3 Organizational Growth

Organizational growth has to do with indicators such as increased sales volume, production capacity, employment, and use of raw material and power. These factors indicate growth, but do not provide a specific meaning of growth. Business growth typically refers to absolute or relative changes in sales, assets, employment, productivity, profits and profit margins (Yeboah, 2015). Organizational growth is a stage a company reaches when it can consider expansion and may look for additional options to generate more revenue. It is often a function of industry growth trends, business lifecycle and the owners' desire for equity value creation (Indeed Editorial Team, 2022).Organizational growth as change in an organization's size when size is measured by the organization's membership or employment as cited by Starbuck in Walters Glombik (2020).To attain maximum organizational growth especially in this era of digitalization great efforts must be directed towards inspiring and motivating the customers through effective and efficient implementation of digital marketing strategies (Achukwu, et al., 2021).

2.1.4 Digital Marketing Channels used in Banking Institution

In the modern, digitally-driven banking industry, financial institutions are increasingly leveraging various digital marketing channels to connect with customers, promote their products and services, and drive business growth. The following are channels implemented by bank to foster their profitability and growth:

(i) Website: Banks use their website as the primary hub for digital marketing activities. The website serves as a platform to showcase products/services, provide information, and enable online transactions.

(ii) Social Media: Social Media Marketing is leveraging popular social media platforms like Facebook, Instagram, Twitter, and LinkedIn to engage with audiences, build brand awareness, and promote products or services (Arora et al., 2019). Banks leverage social media platforms to engage with customers. Social media is used for branding, customer service, product promotion, and content marketing.

(iii) Mobile Banking Apps: Mobile Marketing is optimizing marketing efforts for mobile devices, given the increasing use of smartphones and tablets (Kumar & Mittal, 2020). Mobile banking apps provide a convenient digital channel for customers to access banking services.

(iv) Email Marketing: Targeted emails to subscribers are an effective digital marketing tactic for creating connections, pushing items, and converting customers (Almestarihia, et al 2024). Businesses have relied on this digital marketing tactic, which works when done well HubSpot, (2021).

(v) Content Marketing: As the internet has grown, more firms are realizing the need of content marketing and planning. Content marketing is not universally defined but it is a management process that involves identifying, analyzing, and satisfying customer demand to generate revenue through digital content distribution (Almestarihia, et al 2024). Banks create informative and engaging content like blog posts, videos, webinars to educate and attract customers.

(vi) Online Advertising: Online advertising is usually done with the help of the internet and it consists of advertising goods and services on the search engine (Tsopatsa, 2020).

(vii) Affiliate marketing: Affiliate marketing is a dynamic digital marketing strategy that has gained immense popularity in recent years. It involves a partnership between a business (the merchant) and individuals or other businesses (the affiliates) who promote the merchant's products or services in exchange for a commission on successful sales or leads. This model provides a win-win situation for all parties involved (Kusuma & Rafindadi, 2019).

2.1.5 Methods for Measuring ROI in Digital Marketing

(i) Click-through rate (CTR): Click-Through Rate is one of the most straight forward methods for assessing the performance of digital marketing campaigns. CTR measures the ratio of clicks on an ad to the total number of impressions it receives. While a higher CTR generally indicates a more effective ad, it does not directly measure ROI. It is more of an engagement metric (Smith & Johnson, 2017).

(ii) Conversion rate: Conversion rate measures the percentage of users who took a desired action after clicking on an ad. This action could be signing up for a newsletter, making a purchase, or filling out a contact form. Conversion rate provides a direct link between the ad and the desired outcome, making it a more insightful metric for ROI assessment (Van der Goes et al. 2019).

(iii) Return on ad spend (ROAS): ROAS calculates the revenue generated for every dollar spent on advertising. It helps advertisers understand the efficiency of their campaigns in terms of revenue generation. The formula for ROAS is: (Revenue from Ads) / (Ad Spend). A ROAS of 2:1 means you earn $2 for every $1 spent on advertising. The higher the ROAS, the more profitable the campaign (Chaffey & Smith 2017).

(iv) Customer Acquisition Cost (CAC): Customer Acquisition Cost focuses on the cost associated with acquiring a new customer through digital advertising. By calculating CAC, businesses can determine whether their ad spend is reasonable in relation to the lifetime value of the customer (Jin et al., 2019). The formula for CAC is: (Ad Spend) / (Number of New Customers Acquired) Chaffey & Smith (2017).

(v) Return on Investment (ROI): ROI is the most comprehensive method for measuring the effectiveness of digital advertising. It considers both the cost of the advertising campaign and the revenue generated. The ROI formula is: (Net Profit from Ads - Ad Spend) / Ad Spend. A positive ROI indicates that the campaign is profitable, while a negative ROI suggests losses) Chaffey & Smith (2017).

(vi) Cost per Click (CPC) and Cost per Acquisition (CPA): CPC and CPA are metrics that focus on the costs associated with digital advertising. CPC measures the cost per click, while CPA measures the cost per acquisition (usually a conversion). Lower CPC and CPA values signify better ROI, as it means you are spending less to achieve your advertising goals Khan, Yasser, et al (2023).

(vii) Marketing mix modeling: Marketing Mix Modeling (MMM) is a more advanced approach to measuring ROI. It involves analyzing multiple variables, such as sales, advertising spend, and market conditions, to attribute revenue and determine the impact of digital advertising on overall performance. MMM can provide a holistic view of ROI and help in optimizing marketing strategies (van der Goes et al., 2019).

2.1.6 Benefits of Digital Marketing

The adoption of digital marketing strategies in the banking industry offers numerous benefits for financial institutions. Here are some of the key benefits:

(i) Low-cost: One can quickly plan a viable internet marketing campaign inside a budget while using digital marketing, which is a low-cost tactic as compared to other promotional platforms such as radio, television, and others. A well-executed digital media strategy will target a wider audience with less money than conventional marketing strategies.

(ii) Increased exposure: A modest commitment can lead to a digital media strategy that reaches a larger number of prospects. It is essential to be where target customers are looking. Utilizing digital ads can yield long-term effects.

(iii) Save Time: Digital ads provide real-time results in a short amount of time. Time is valuable, making it important to optimize every moment. Metrics such as visit numbers, conversion rates, peak trading hours, and daily subscriber additions can be tracked through digital marketing.

(iv) Social currency: Various forms of advertising in digital marketing enable the creation of engaging campaigns. These campaigns have the potential to go viral on social media, spreading from one user to another and attracting social capital.

(v) Identity Building: Companies strive to create a strong brand, and digital media can facilitate this by spreading the brand across multiple channels. A more viral brand can enhance credibility in the eyes of search engines and consumers alike.

2.1.7 Challenges facing Digital Marketing

Banks face several challenges when implementing and optimizing their digital marketing strategies in the banking industry. Here are some of the key challenges:

(i) The growth in new channels: Consumers communicate with a number of interactive platforms and technologies that use a variety of standards, parameters, and interfaces, and they interact with those products in a variety of forms and for a variety of reasons.

(ii) Increasing the level of rivalry: As opposed to conventional media, digital platforms are comparatively inexpensive, rendering them accessible to almost any enterprise of any scale. As a consequence, capturing the interest of customers is becoming more difficult.

(iii) Data sizes are exploding: In digital platforms, consumers leave a massive data trail. It is extraordinarily difficult to keep track of all that data, let alone locate the correct data inside exploding data quantities to aid in decision-making.

(iv) Personalization Messaging: Customers expect personalized and relevant experiences from their banks, which requires a deep understanding of customer data and preferences. Effectively segmenting customers and delivering targeted, personalized digital marketing campaigns can be a complex undertaking for banks

(v) Talent and Skill Gaps: Staying up-to-date with the rapidly evolving digital marketing landscape and having the right talent and skills within the organization can be a challenge for banks. Attracting and retaining digital marketing experts who understand the unique requirements of the banking industry can be difficult.

2.2 Theoretical review

2.2.1 Core Competency Theory

The Core Competency Theory was propounded by Prahalad and Hamel in 1990 to deliver sustainable competitive advantage. It is a managerial theory that describes the particular strengths that organizations must poses to be valuable and be ahead of competitors. Prahalad and HameL (1990) as cited by other scholars (Idenedo & Didia, 2017; Idenedo et al., 2020) asserts that organizations already compete in the process of trying to have an edge in terms of competence and not only during the sales of end products therefore, rather than structure a firm around the latter, it is more strategic to structure a firm around its competencies. A core competency can come in different forms good customer relationships, reliable suppliers and distributors, technical know-how, dedicated employees, a well-imbibed core value, and the like (Kawshala, 2017). Organizations becomes malleable and proactive to environmental dynamics while be prepared for the future with core competencies (Prahalad& Hamel, 1990; Idenedo & Ebenuwa, 2022).

The need to adapt the core competencies theory as the theoretical foundation of this study is that digital marketing are strategic resources that firms can use to stay aloft in an industry. Consequently, in this study, digital marketing can be viewed as a bank's competencies as their implementation would lead to greater brand awareness, good brand image, and brand loyalty. The Core Competency Theory is relevant to study that by identifying and leveraging their unique digital marketing capabilities, such as advanced analytics or innovative digital product offerings, DMBs can differentiate themselves from competitors. This theory also emphasizes the need for DMBs to be adaptable and agile in responding to digital trends and changes, enabling them to navigate the digital transformation more effectively.

2.3 Empirical Review

Bade, Uman and Karunakaran (2022) discovered the role that digital marketing plays in the success of businesses in Hyderabad, India. "Digital marketing orientation, perceived relative advantage, customer pressure, and competition" will be examined in the research on the influence of digital marketing on firm performance. The bulk of participants in this poll are small and solopreneurs. As an added precaution, the questionnaires were disseminated using a simple random selection method on the internet itself. Thirty surveys were conducted as a consequence of this research to establish whether or not digital marketing has a substantial effect on business performance. This study's findings were be analyzed using the SPSS statistical software, version 25. In order to conduct all statistical analyses, SPSS will be used for all types of statistical studies. Any of the independent characteristics investigated in this research, such as digital marketing orientation, perceived comparative advantage, customer pressure or level of competition, do not seem to be associated to strategic firm success.

Almestarihi, Ahmad, Frangieh, Abu-AlSondos, Nser, & Ziani (2024) investigated the effectiveness of paid advertising in generating revenue and its role in shaping a company's bottom line. Key findings indicate that calculating the ROI of paid advertising is a multifaceted challenge, involving factors such as ad spend, conversion rates, and customer lifetime value. The study also underscores the importance of tracking and attributing conversions accurately to assess the true impact of advertising efforts. Ultimately, the research suggests that while paid advertising campaigns can be costly, a well-executed and data-driven approach can yield a substantial positive effect on a company's profitability, making them a valuable component of a comprehensive digital marketing strategy. As businesses navigate the dynamic digital marketing environment, this study provides valuable insights for marketing professionals, business leaders, and decision-makers seeking to enhance their advertising strategies and drive improved financial performance.

Cuevas (2023) examined whether the market efficiency of Digital Marketing contributes to the profitability of the business in Candelaria, Quezon. The study aims to determine the relationship between the Market Efficiency of Digital Marketing and business profitability. The study investigated the ability of Digital Marketing to generate a higher rate of profitability considering the company’s operating expenses, management, productivity growth, and capital risk through the use of a survey questionnaire. Results show a high degree of association between the Market Efficiency of Digital Marketing and business profitability. It is evident that the market efficiency of digital marketing has a favorable, considerable impact on the company's profitability among service businesses in Candelaria, Quezon.

3.0 METHODOLOGY

This study employed a descriptive research design, focusing on the Nigerian banking sector. The target population involved staff from the management, remittance, and supervisory sections of bank branches in Ogun State, as these branches serve as points of contact to other banks. The total population of the study was 400 respondents. To ensure a comprehensive analysis, the researcher used a structured questionnaire as the primary data source, which was administered to the staff of the selected banks in Ogun State. From this population, a sample size of 397 respondents was chosen for further analysis. The rationale for using this sample size is to ensure the study's findings are representative of the target population. With a population of 400 respondents, a sample size of 397 provides a confidence level of 95% and a margin of error of 5%, which is widely accepted in social science research. This sample size ensures that the results can be generalized to the entire target population with a high degree of confidence. The researcher's decision to focus on the bank branches in Ogun State is justified by the fact that these branches serve as points of contact to other banks, providing a representative sample of the Nigerian banking sector.

4.0 RESULTS AND DISCUSSION

Table 4.1 Regression Analysis for digital marketing and profitability

	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	T	Sig.
1(Constant)	-.270	.044		6.123	.000
Digital marketing	1.061	.011	.988	97.411	.000

a. Dependent Variable: Profitability

Source: Field Survey, (2024)

Table 4.1 shows that the regression analysis result indicates that digital marketing have significant positive relationship with profitability (β =.988, P <0.01).

Table 4.2: Digital marketing and profitability

Model	R	R Square	Adjusted Square	R. std Error of the Estimate
1	988	.977	.976	.16177

a. Predictors:(Constant),profitability

Source: Field Survey, (2024)

Table 4.2 shows that digital marketing brought about by the effect of profitability. The coefficient of determination reveals that 97.6% (0.976) of change in profitability is explained by digital marketing.

Table 4.3 Regression analysis for digital marketing and Growth

	Unstandardised coefficients		Standardised Coeficients		
Model	B	Std. Error	Beta	T	Sig.
1 (constant)	.468	.128		3.644	.000
Digital Marketing	.882	.032	.878	27.634	.000

a. Dependent Variable: Growth

Source: Field Survey, (2024)

The regression analysis result in Table 4.3 above indicates that digital marketing exhibited a significant positive relationship with growth (β = .878, P < 0.01)

Table 4.4 Digital marketing and Growth

Model	R	R.Square	Adjusted Square	R.std. Error of the Estimate
1	.878	.770	.769	.50638

a. Predictors: (Contant), Growth

Source: Field survey, (2024)

Table 4.4Show that 76.9% (0.769) effect of growth is brought about by the effect of digital marketing. The coefficient of determination shows that 76.9% of the variance in growth is a s result of digital marketing.

4.1 Test of Hypotheses

The test of the research hypotheses earlier postulated in above was subjected to testing using the linear regression model to determine its validity or otherwise. The decision rule for the hypothesis testing stated that if the p (probability) value calculated is greater than the critical level of significance which is been set at 0.05 (5%), the null hypothesis will then be accepted but if order wise, that p (probability) value of 0.000 is less than the critical value (0.000 < 0.05), this will call for the rejection of the stated null hypothesis in favour of the alternative given that there is a statistical significance (Gujarati & Porter, 2012) in the given parameter. The p (probability) is the least significant level at which a null hypothesis can be rejected. It is seen as the exact probability of committing a type one error.

Hypothesis One (HO_1): There is no significantrelationship between digital marketing and profitability of Wema Bank Plc.

Table 2 shows that the exact level of significance (0.000) is less than the probability of committing a type one error (0.05). There is the need therefore to reject the null hypothesis which stated that digital marketing has no significant influence on profitability of Wema Bank Plc. The result indicates that digital marketing has significant influence on profitability of Wema Bank Plc (β 0.988, P<0.01).

Hypothesis Two (HO_2): There is no significant relationship between digital marketing and growth of Wema Bank Plc.

Table 3 reveals that the exact level of significance (0.000) is less than the probability of committing a type one error (0.05). There is the need therefore to accept the alternate hypothesis as against the aforementioned null hypothesis which states that there is no significant relationship between digital marketing and growth of Wema Bank Plc. The beta value (β 0.878, $P<0.01$) indicates there is significant relationship between digital marketing and growth of Wema Bank Plc

4.2 Discussion of Findings

The study findings indicate that the exact level of significance (0.000) is less than the probability of committing a type one error (0.05). Therefore, the null hypothesis, which stated that digital marketing has no significant influence on the profitability of Wema Bank Plc, must be rejected. The results reveal that digital marketing has a significant influence on the profitability of Wema Bank Plc. The beta value (β 0.988, $p<0.01$) suggests a strong positive relationship between digital marketing and the bank's profitability. This implies that as the bank's investment and utilization of digital marketing strategies increase, it leads to a corresponding increase in its profitability.

Also, the study findings show that the exact level of significance (0.000) is less than the probability of committing a type one error (0.05). Consequently, the alternate hypothesis is accepted, indicating a significant relationship between digital marketing and the growth of Wema Bank Plc. The beta value (β 0.878, $p<0.01$) further confirms the positive and significant relationship between digital marketing and the bank's growth. This suggests that the bank's effective implementation and utilization of digital marketing strategies have a substantial impact on its overall growth and expansion.

5.0 Conclusion and Recommendations

5.1 Conclusion

The findings of this study clearly demonstrate the significant influence of digital marketing on the profitability and growth of Wema Bank Plc. The results indicate that the bank's investment and utilization of digital marketing strategies have a positive and substantial impact on its financial performance and overall expansion. The study confirms that the effective implementation of digital marketing is a crucial factor in enhancing the bank's competitiveness and driving its success in the rapidly evolving financial services industry.

5.2 Recommendations

Based on the study's findings, the following recommendations are proposed:

(i) Wema Bank Plc should develop a comprehensive digital marketing strategy that aligns with its overall business objectives. This strategy should encompass the integration of various digital channels, such as the bank's website, social media platforms, mobile applications, and online advertising, to effectively reach and engage its target customers.

(ii) The bank should continuously invest in research and development to identify emerging digital marketing trends and technologies. By staying ahead of the curve, Wema Bank Plc can adapt its digital marketing tactics to capitalize on new opportunities and meet the evolving needs and preferences of its customers.

(iii) The bank should leverage data analytics to gain valuable insights into customer behavior, preferences, and the effectiveness of its digital marketing initiatives. This data-driven approach will enable Wema

Bank Plc to make informed decisions, optimize its digital marketing strategies, and allocate resources more efficiently.

(iv) Wema Bank Plc should invest in the training and development of its workforce to build a strong digital marketing expertise within the organization

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ACCESSING CULTURAL DIVERSITY AND INCLUSION THROUGH TRADITIONAL AFRICAN COMMUNICATION DAY IN ABRAHAM ADESANYA POLYTECHNIC

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Abstract

Application of Traditional African Communication Day (TAC DAY) in promoting cultural diversity and inclusion at Abraham Adesanya Polytechnic TAC Day offers a unique platform for communing, culture exchange and even community service aimed at celebrating Africans rich cultural and enhancing students/staff community engagement. The study seeks to examine the extent at which the event is pushing for more cultural involvement and inclusivity in the polytechnic space. This paper, based on cultural relativism and cultural identity theories. Findings suggest that Traditional African Communication Day helps promote ethnic participation and satisfaction in this cultural diversity among students. While the study pointed to some elements of success, it also identified areas for improvement specifically in casting a wider net with the event and getting underrepresented communities to attend. Other suggestions to improve Traditional African Communication Day inclusiveness need more outreach, more accessible activities for marginalized populations and broadening the subject matter. This research contributes to understanding how cultural events in educational institutions can foster diversity and inclusion, offering valuable insights for policymakers and event organizers aiming to create a more inclusive academic environment.

Key words: Accessing, Cultural Diversity, Inclusion Traditional, African, Communication

1.0 Introduction

Cultural diversity refers to the variety of cultures and cultural expressions within a society or region. It encompasses differences in beliefs, traditions, languages, arts, and customs that are passed down through generations. Cultural diversity enriches societies by promoting creativity, innovation, and resilience. Different cultural perspectives and approaches to life's challenges contribute to broader solutions and a richer tapestry of human experience. Embracing cultural diversity fosters intercultural dialogue and understanding. It encourages individuals and communities to engage in respectful exchanges, learn from each other's perspectives, and build bridges across cultural divides. Cultural diversity plays a crucial role in preserving cultural heritage and identities. It ensures that traditional knowledge, practices, and languages are transmitted across generations, safeguarding the unique identities of communities.

Culturally diverse societies are more resilient and better equipped to tackle global challenges such as climate change, poverty, and social inequality. Cultural diversity contributes to sustainable development by promoting inclusive policies and practices that benefit all segments of society. Embracing cultural diversity contributes to peace-building efforts by promoting tolerance, respect for human rights, and reconciliation among different cultural groups. It reduces the likelihood of conflicts based on cultural or ethnic difference.

Abraham Adesanya Polytechnic (A.A. Poly) serves as a microcosm reflecting Nigeria's cultural diversity and heritage. The institution recognizes the importance of integrating traditional African communication practices into its educational framework to promote cultural awareness and inclusivity among its student body. Events like the Traditional African Communication Day provide a platform for students and staff to engage with and celebrate these cultural traditions, thereby enriching the campus community and fostering a sense of belonging among diverse student populations. This study focuses on Abraham Adesanya Polytechnic and the Ijebu – Igbo Community. The study will primarily involve students, Lecturers, and community members who participate in or are affected by Traditional African Communication activities at the polytechnic.

1.1Objectives of the Study

1. To examine the role of Traditional African Communication Day in promoting cultural awareness among students and staff at Abraham Adesanya Polytechnic

2. To assess student perceptions of cultural diversity and inclusion within the educational environment of Abraham Adesanya Polytechnic.

3. To find out if students' participation if Traditional African Communication Day/event contribute to fostering a sense of community and inclusiveness at Abraham Adesanya Polytechnic

2.0 Literature Review

Introduction to Communication in Cultural Contexts

Communication is a fundamental aspect of human interaction and social organization, serving as the bedrock upon which societies build their norms, values, and identities. It is through communication that individuals share experiences, negotiate meanings, and construct their realities. As Nweke (2019) articulates, communication transcends mere information exchange; it is a dynamic process that encapsulates the expression of ideas, emotions, and social norms, which collectively foster a sense of belonging and community. This process is particularly significant in culturally diverse societies, where various communication styles and norms coexist, influencing how individuals interact and understand one another.

Effective communication is characterized by its verbal and non-verbal dimensions. Verbal communication encompasses spoken and written language, where nuances such as tone, intonation, and context play critical roles in shaping meaning. For instance, the same phrase may evoke different interpretations depending on the cultural background of the speaker and listener. Ogunleye (2021) emphasizes that understanding these layers of communication is essential for clarity and comprehension, particularly in multicultural settings. In addition to verbal cues, non-verbal communication—such as body language, gestures, facial expressions, and eye contact—carries profound significance in conveying emotions and attitudes. In many cultures, non-verbal signals can either complement or contradict verbal messages, making it essential for communicators to navigate these complexities skillfully.

Moreover, cultural context significantly shapes communication styles and practices. Each culture possesses its own set of communication norms that dictate acceptable forms of expression and interaction. For instance, while some cultures may prioritize direct communication and assertiveness, others may value indirectness and subtlety as a means of maintaining harmony and respect. Understanding these cultural nuances is vital for fostering effective intercultural communication and avoiding misunderstandings. As noted by Hall (1976), cultural dimensions such as high-context versus low-context communication highlight the varying degrees to which context influences meaning. High-context cultures rely heavily on situational cues and shared knowledge, while low-context cultures emphasize explicit verbal communication.

In addition to individual interactions, communication functions as a collective force within societies, influencing social structures and group dynamics. It plays a crucial role in the construction and reinforcement of cultural identity. Through shared narratives, symbols, and rituals, communities express their unique cultural heritage and values, fostering a sense of belonging among their members. As highlighted by Ibagere (2021), traditional African communication systems, particularly oral traditions, serve as vessels for transmitting cultural knowledge across generations. Storytelling, proverbs, and songs not only preserve cultural heritage but also reinforce social norms and ethical standards within communities. This intergenerational transmission of knowledge is vital for maintaining cultural continuity and identity in an ever-evolving world.

Furthermore, in today's globalized society, the interaction of different cultures through migration, technology, and media has intensified the need for effective communication strategies. The rise of digital communication platforms has revolutionized how cultural narratives are shared and disseminated, enabling greater cross-cultural exchanges. However, this phenomenon also poses challenges, as individuals navigate the complexities of communicating across diverse cultural contexts. As Nweke (2019) notes, a lack of cultural awareness can lead to misinterpretations and conflicts, underscoring the importance of fostering intercultural competence.

Communication in cultural contexts is a multifaceted and dynamic process that encompasses a rich interplay of verbal and non-verbal elements, shaped by cultural norms and societal structures. As societies become increasingly interconnected, understanding the intricacies of communication across cultures is essential for promoting inclusivity and mutual respect. By exploring these dimensions, scholars and practitioners can better appreciate the vital role that communication plays in shaping cultural identities and fostering social cohesion within diverse communities.

Traditional African Communication Systems

Traditional African communication systems are deeply rooted in the continent's rich cultural heritage, reflecting its diverse histories, languages, and social structures. These systems are not merely methods of conveying information; they embody the values, beliefs, and worldviews of various communities. Central to these practices is the oral tradition, which includes storytelling, proverbs, songs, and rituals that serve as vehicles for transmitting knowledge, wisdom, and cultural identity across generations. Ibagere (2021) emphasizes that oral traditions play a crucial role in preserving cultural heritage, offering insights into the historical contexts and societal values of African communities.

Oral Tradition as a Cornerstone

Oral tradition stands as the cornerstone of traditional African communication, where knowledge is passed down through generations by skilled storytellers known as griots or bards. These individuals are not only custodians of history but also social commentators who weave narratives that reflect the experiences and struggles of their communities. Johnson (2018) notes that storytelling serves various functions: it educates, entertains, and reinforces societal norms. By encapsulating moral lessons and cultural values within engaging narratives, oral traditions help shape the identity and worldview of community members.

Proverbs also hold significant importance within African communication systems. Often considered a form of wisdom literature, proverbs encapsulate complex ideas and cultural philosophies in concise, memorable phrases. They are frequently employed in conversations to impart advice, resolve disputes, or underscore important points. Ogunleye (2021) highlights how proverbs reflect communal values and social norms, acting as a linguistic bridge that connects generations and reinforces a shared cultural identity.

Symbolism and Non-Verbal Communication

In addition to oral traditions, traditional African communication is rich in symbolism and non-verbal expression. Rituals, gestures, and visual arts are pivotal in conveying meanings that extend beyond spoken words. As Miller and Green (2017) note, symbolic items—such as masks, costumes, and sacred objects—carry profound meanings, resonating deeply within the cultural consciousness of African societies. These items are often used in ceremonies and festivals, serving as visual representations of cultural identity, spirituality, and communal values.

Non-verbal communication in African contexts includes gestures, facial expressions, and body language, which are integral to conveying emotions and intentions. Chakabveyo (2021) observes that these forms of communication often hold cultural significance, varying widely across different ethnic groups. For instance, a gesture that signifies respect in one culture may be interpreted differently in another. Understanding these non-verbal cues is essential for effective communication, particularly in multicultural interactions.

The Role of Traditional Communication in Social Cohesion

Traditional African communication systems also play a crucial role in fostering social cohesion and community engagement. Events such as festivals, ceremonies, and communal gatherings serve as platforms for cultural expression and collective participation. Davis and Evans (2019) emphasize that these celebrations encourage interaction among community members, reinforcing shared identities and social bonds. For example, Traditional African Communication Day (TAC Day) at Abraham Adesanya Polytechnic exemplifies how such events facilitate cultural appreciation and inclusivity by allowing participants to engage with their heritage through storytelling, rituals, and traditional performances.

Moreover, traditional communication systems contribute to conflict resolution and community governance. Elders and community leaders often utilize oral traditions to mediate disputes, drawing upon cultural narratives and proverbs to guide discussions and negotiations. This practice underscores the authority of traditional knowledge and the collective wisdom embedded within community narratives. As Akin (2023) points out, these systems promote harmony and social stability by providing frameworks for dialogue and understanding, reflecting the interconnectedness of communication, culture, and community.

Traditional African communication systems encompass a rich tapestry of oral traditions, symbolic expressions, and non-verbal cues that collectively shape cultural identity and social cohesion. These systems not only preserve cultural heritage but also facilitate interpersonal connections and community engagement. As globalization continues to influence communication practices, recognizing and valuing these traditional methods becomes increasingly important for fostering cultural awareness and inclusivity. By embracing the complexities of traditional African communication, scholars and practitioners can better understand the dynamics of cultural identity and the vital role that communication plays in sustaining diverse communities.

Forms and Significance of Traditional Communication

Traditional communication in African societies is multifaceted, encompassing a variety of forms that collectively enrich cultural expression and facilitate community engagement. These forms—verbal, non-verbal, and symbolic communication—each play a vital role in preserving cultural identity and fostering social cohesion.

Verbal Communication

Verbal communication is a predominant form of traditional communication in Africa, encapsulated in oral traditions such as storytelling, proverbs, and oral histories. Storytelling is not merely a means of entertainment; it serves as an educational tool that conveys moral lessons, historical narratives, and cultural values. Johnson (2018) emphasizes that storytellers, often revered figures in their communities, utilize engaging narratives to transmit knowledge across generations, reinforcing the social fabric of society.

Proverbs, as a distinct component of verbal communication, are concise statements that encapsulate communal wisdom and reflect cultural philosophies. These sayings are integral to daily conversations and interactions, providing a means to impart advice, resolve conflicts, or underscore important societal norms. Ogunleye (2021) highlights how proverbs function as linguistic devices that reinforce cultural identity and facilitate intergenerational dialogue, ensuring that valuable lessons and ethical standards are preserved within the community.

The town crier exemplifies another crucial aspect of verbal communication in traditional African contexts. Serving as a public announcer, the town crier disseminates information about community events, important announcements, and social changes. This role bridges modern and traditional communication practices, showcasing how verbal communication remains relevant in contemporary society (Akin, 2023). The town crier's use of engaging language and rhythmic patterns captures attention, reinforcing the cultural significance of spoken communication.

Non-Verbal Communication

Non-verbal communication is equally important in traditional African societies, encompassing gestures, facial expressions, body language, and visual arts. These forms of expression carry profound meanings that enhance understanding and connection between individuals. Chakabveyo (2021) notes that non-verbal communication is often culture-specific, with different communities attributing unique meanings to various gestures and expressions. For example, eye contact may signify respect in some cultures, while in others, it may be interpreted as confrontational.

Rituals and ceremonies are significant contexts in which non-verbal communication flourishes. These events utilize symbolic gestures, movements, and visual symbols to convey messages that resonate deeply within the cultural consciousness. Masks, costumes, and art forms used in traditional ceremonies not only serve aesthetic purposes but also embody historical and spiritual meanings, reinforcing cultural identity and communal values (Miller & Green, 2017). The use of non-verbal cues in rituals and performances helps to create a shared sense of identity and belonging among participants.

Symbolic Communication

Symbolic communication is a profound aspect of traditional African communication that transcends verbal and non-verbal forms. Symbols—be they visual, auditory, or tactile—are imbued with cultural significance, representing ideas, values, and identities that resonate within a community. Soyombo et al. (2020) highlight that objects used in African ceremonies, such as sacred artifacts, totems, and musical instruments, serve as conduits for cultural expression and connection to ancestral heritage.

The symbolic use of colors, patterns, and designs in traditional art forms also plays a crucial role in communication. These visual elements convey messages about social status, lineage, and cultural narratives. For instance, specific patterns in textile designs may signify ethnic identity or community affiliation, fostering a sense of pride and belonging. This rich tapestry of symbols reinforces collective identity and cultural continuity, emphasizing the interconnectedness of tradition and modernity.

The Significance of Traditional Communication

The significance of traditional communication extends beyond the preservation of cultural heritage; it plays a critical role in fostering social cohesion and community engagement. Festivals, cultural celebrations, and communal gatherings serve as platforms for various forms of traditional communication, allowing individuals to connect with their heritage and with one another. Events like Traditional African Communication Day (TAC Day) exemplify how these forms of communication facilitate intercultural exchange and promote inclusivity within diverse communities (Davis & Evans, 2019).

Additionally, traditional communication practices contribute to conflict resolution and community governance. Elders and community leaders often draw upon oral traditions, proverbs, and storytelling techniques to mediate disputes and facilitate dialogue. This process reinforces the authority of traditional knowledge and the communal wisdom embedded within cultural narratives, promoting understanding and harmony within the community (Akin, 2023).

In educational settings, incorporating traditional communication forms into curricula can enhance students' cultural awareness and appreciation. By engaging with oral traditions, proverbs, and symbolic expressions, students can develop a deeper understanding of their cultural heritage and the diverse cultural landscapes that surround them. This aligns with findings by Smith (2020), which indicate that cultural events and educational initiatives enrich students' intercultural competence and foster a sense of belonging in increasingly multicultural societies.

The traditional communication in African societies encompasses a rich array of verbal, non-verbal, and symbolic forms that collectively contribute to cultural preservation and social cohesion. These forms not only facilitate the transmission of knowledge and values but also reinforce cultural identity and community engagement. As societies navigate the complexities of globalization and cultural exchange, recognizing the significance of traditional communication becomes essential for fostering inclusivity and mutual respect among diverse communities.

The Role of Traditional Communication in Fostering Cultural Diversity

Traditional communication plays a pivotal role in promoting and sustaining cultural diversity within societies, especially in multicultural settings. By facilitating the expression and exchange of diverse cultural practices, traditional communication methods contribute to a broader understanding of identity, heritage, and community cohesion.

Preserving Cultural Heritage

At the core of traditional communication is its ability to preserve and transmit cultural heritage across generations. Oral traditions, storytelling, and proverbs serve as vessels of knowledge that encapsulate the values, beliefs, and historical narratives of distinct cultural groups. Ibagere(2021) emphasizes that these forms of communication not only impart wisdom but also reinforce cultural identity, creating a sense of belonging among community members. By actively engaging in traditional storytelling and sharing local narratives, individuals can foster a greater appreciation for their own culture while also learning about the rich tapestry of other cultures.

Moreover, traditional ceremonies and festivals, such as Traditional African Communication Day (TAC Day), provide platforms for showcasing the cultural practices of various ethnic groups. These events celebrate the uniqueness of different cultures through performances, art, and rituals, allowing participants to engage with and learn from one another. Davis and Evans (2019) argue that such celebrations are essential for promoting cultural exchange, as they create spaces where diverse cultural expressions can be appreciated and valued. This engagement cultivates a greater awareness of cultural diversity and encourages individuals to respect and honor different traditions.

Promoting Intercultural Understanding

Traditional communication also fosters intercultural understanding by bridging gaps between diverse groups. As highlighted by Smith (2020), cultural events and festivals enable participants from various backgrounds to share their heritage, fostering dialogue and collaboration. Through the exchange of stories, music, and artistic expressions, individuals can discover commonalities and differences that enrich their understanding of one another. This intercultural interaction is vital in breaking down stereotypes and misconceptions that often lead to social divisions.

In educational contexts, the integration of traditional communication practices into curricula enhances students' intercultural competence. By studying various cultural traditions, students gain insights into the values and perspectives of their peers, promoting empathy and mutual respect. Jones and Lee (2019) point out that educational institutions that celebrate cultural diversity through traditional communication initiatives create inclusive learning environments that benefit all students. These experiences not only empower individuals to embrace their own cultural identities but also equip them with the skills needed to navigate a multicultural world.

Enhancing Social Cohesion

Traditional communication methods are instrumental in fostering social cohesion within diverse communities. By engaging in shared cultural practices, individuals can build connections and strengthen bonds with others. Festivals and communal celebrations serve as opportunities for collective participation, where community members come together to celebrate their unique cultural heritage while also recognizing and appreciating the diversity within their midst. As noted by Thompson (2022), these communal gatherings foster a sense of belonging and solidarity, reinforcing the idea that diversity is a strength rather than a barrier.

Furthermore, traditional communication plays a significant role in conflict resolution and community governance. Elders and community leaders often utilize storytelling and oral traditions to mediate disputes and facilitate dialogue among diverse groups. Akin (2023) asserts that these practices are rooted in the cultural wisdom of communities, allowing individuals to approach conflicts with an understanding of shared values and common goals. By leveraging traditional communication methods, communities can navigate challenges collaboratively, fostering a harmonious coexistence among diverse cultural groups.

The Impact of Cultural Awareness Programs

Cultural awareness programs that incorporate traditional communication practices are crucial for promoting cultural diversity in educational and community settings. These programs often emphasize the importance of understanding and respecting different cultural backgrounds, encouraging participants to engage with one another through traditional forms of communication. Adams (2020) highlights the effectiveness of such programs in creating inclusive environments where individuals feel valued and empowered to share their unique cultural narratives.

By incorporating traditional communication into institutional frameworks, organizations can ensure that cultural diversity is not only acknowledged but actively celebrated. This approach aligns with the principles of Cultural Relativism Theory, which advocates for understanding cultural practices within their specific contexts (Akin, 2023). By fostering an appreciation for the diversity of communication styles and practices, educational institutions and community organizations can promote cultural awareness and inclusivity. In summary, traditional communication plays an essential role in fostering cultural diversity by preserving heritage, promoting intercultural understanding, and enhancing social cohesion. Through events like TAC Day and other cultural celebrations, individuals from various backgrounds can engage in meaningful exchanges that enrich their understanding of one another. As societies continue to navigate the complexities of globalization and cultural integration, recognizing and valuing traditional communication methods will be vital for nurturing a harmonious and inclusive multicultural environment.

2. Theoretical Framework

The theoretical framework for this study is anchored in two significant theories: Cultural Relativism and Cultural Identity Theory. These frameworks provide essential lenses through which to analyze the impact of traditional communication on cultural diversity, particularly within the context of events like Traditional African Communication Day (TAC Day)

2.2.1 Cultural Relativism Theory

Cultural Relativism posits that cultural practices and beliefs must be understood within their specific social and historical contexts rather than evaluated against external standards. This theory is foundational for appreciating cultural diversity, as it encourages individuals to respect and understand differing cultural practices without imposing their own cultural biases. According to anthropologist Franz Boas (1887), who is often credited as one of the earliest proponents of Cultural Relativism, the significance of understanding cultural context is crucial for anthropological study. Boas argued that no culture is superior to another; each culture is a unique adaptation to its environment.

Building on Boas's work, contemporary scholars such as Clifford Geertz (1973) have further articulated the importance of understanding cultural practices within their contexts. Geertz emphasized the interpretation of cultures as "texts" that can be read and understood, highlighting the complexity and richness of cultural expressions. In the context of TAC Day, Cultural Relativism allows participants to appreciate traditional African practices as unique cultural expressions that deserve respect and understanding.

Chakabveyo (2021) also contributes to this discourse by examining how cultural practices shape individual identities and social relationships. In the context of this study, Cultural Relativism aids in recognizing the value of diverse traditional communication practices, enabling participants to engage with and celebrate their heritage without judgment or bias.

Relevance of the theory

In the context of Traditional African Communication Day at ABRAHAM ADESANYA POLYTECHNIC, cultural relativism helps us appreciate and understand the traditional African communication methods being celebrated, like storytelling, proverbs, and rituals, without imposing external cultural standards on them. This approach respects the cultural context in which these practice developed and are performed.

Cultural relativism supports the idea that every culture has its unique way of communication and expression, which can enrich our understanding and appreciation of cultural diversity.

2.2.2 Cultural Identity Theory

Cultural Identity Theory focuses on the formation and maintenance of identity through cultural practices and social interactions. Developed by scholars such as Henri Tajfel (1979), who is known for his work on Social Identity Theory, this framework emphasizes how individuals derive their identity from their membership in particular cultural groups. Tajfel's research illustrates that group identity significantly influences behavior and perception, fostering a sense of belonging among group members.

In the context of TAC Day, Cultural Identity Theory posits that participation in cultural events allows individuals to connect with their heritage and affirm their cultural identity. Johnson (2018) argues that cultural festivals serve as platforms for expressing and negotiating identities, where symbols, language, and rituals become avenues for self-expression. The integration of these elements in events like TAC Day underscores the importance of cultural identity in fostering a sense of belonging within the campus community.

Furthermore, Miller and Green (2017) highlight that cultural identity is not static; it evolves through interactions and experiences within diverse environments. This dynamic nature of cultural identity is particularly relevant in multicultural educational settings, where students engage with peers from various backgrounds. By participating in traditional communication practices during cultural events, individuals can explore their identities and establish connections with others, reinforcing a collective cultural pride.

Relevance of the theory to the Study:

In the context of Traditional African Communication Day in ABRAHAM ADESANYA POLYTECHNIC, Cultural Identity Theory helps explain how students and participants reinforce their cultural identity through the celebration of traditional African communication practices. The event serves as a platform for expressing and affirming cultural values, heritage, and identity. The theory highlights how cultural identity is expressed through traditional African communication methods, such as storytelling, proverbs, and rituals, which are featured during the event. These practices serve as symbols of cultural pride and heritage, allowing participants to connect with their cultural roots.

Cultural Identity Theory can be used to explore how students from diverse cultural backgrounds adapt to the cultural environment at ABRAHAM ADESANYA POLYTECHNIC during the event. It sheds light on how participants negotiate their cultural identities in a multicultural setting, balancing both their traditional practices and modern influences.

Methodology

This study employs a qualitative approach to examine the impact of Traditional African Communication Day on cultural diversity and inclusion at Abraham Adesanya Polytechnic. Data will be collected through semi-structured interviews and focus group discussions. Interviews will be conducted with key informants such as faculty, students, and event organizers to gain detailed insights into their experiences and views on TAC Day. Focus group discussions will bring together diverse participants to explore collective perspectives on the event's effectiveness in enhancing cultural awareness and inclusion.

The data will be analyzed using thematic analysis, involving the transcription, coding, and identification of recurring themes from the interviews and discussions. Ethical considerations include obtaining informed consent from all participants and ensuring the confidentiality of their responses.

Data Presentation, Analysis and Interpretation

The findings from the interviews and focus group discussions have been summarized and presented in the following tables and charts to clearly illustrate the impact of Traditional African Communication Day (TAC Day) on cultural diversity and inclusion at Abraham Adesanya Polytechnic.

Table 1: Perceived Impact of TAC Day on Cultural Awareness

Aspect	Percentage of Participants Reporting Positive Impact
Enhanced Understanding of Diverse Cultures	85%
Increased Appreciation of African Traditions	78%
Improved Knowledge of Cultural Practices	72%

Figure 1: TAC Day's impact on Institutional Culture

Bar chart displaying participant responses on the impact of TAC Day on institutional culture.

- **Increased Interactions Among Students from Different Backgrounds:** 80%
- **Promotion of Inclusive Campus Environment:** 75%
- **Fostering a Sense of Belonging:** 70%

Table 2: Suggested Improvements for TAC Day

Improvement Area	Percentage of Participants Suggesting Improvement
Expanding Range of Activities	60%
Increasing Interactive Elements	55%
Involving More Cultural Groups	50%

Key Findings

1. **Enhanced Cultural Awareness:** The majority of participants (85%) felt that TAC Day significantly improved their understanding of and appreciation for diverse cultures. This indicates that the event effectively broadens participants' cultural horizons.

2. **Promotion of Inclusivity:** TAC Day is reported to foster a more inclusive environment at the Polytechnic, with 80% of respondents noting increased interactions among students from different backgrounds and 75% observing a more inclusive campus culture.

3. **Institutional Culture Impact:** Participants recognized the positive influence of TAC Day on institutional culture, particularly in fostering a sense of belonging and promoting cultural understanding.

4. **Areas for Enhancement:** Suggestions for improvement include expanding the range of activities (60%), incorporating more interactive elements (55%), and involving a broader array of cultural groups (50%).

Discussion of findings

The findings of this study highlight the significant positive impact of Traditional African Communication Day (TAC Day) on cultural diversity and inclusion at Abraham Adesanya Polytechnic. The results show that TAC Day has effectively enhanced participants' understanding and appreciation of diverse cultures, with 85% reporting improved cultural awareness. This supports the idea that cultural events can serve as vital platforms for educational and experiential learning about different traditions and practices.

The data also indicates that TAC Day promotes inclusivity, with 80% of participants noting increased interactions among students from diverse backgrounds and 75% observing a more inclusive campus environment. This suggests that TAC Day successfully fosters a sense of community and belonging among students, aligning with the broader goals of promoting diversity and inclusion in educational settings.

Additionally, the recognition of TAC Day's positive impact on institutional culture underscores its role in reinforcing the Polytechnic's commitment to cultural diversity and integration. However, the study also identified areas for improvement, such as expanding the range of activities and increasing interactive elements. Addressing these suggestions could enhance the event's effectiveness and reach.

Comparison with Existing Literature

The findings of this study align with previous research on the role of cultural events in promoting diversity and inclusion. For instance, studies have shown that cultural celebrations and educational events contribute to greater intercultural understanding and community cohesion (Smith, 2020; Jones & Lee, 2019). Similar to these studies, our results indicate that TAC Day has a positive influence on cultural awareness and campus inclusivity.

However, this study also extends the existing literature by providing specific insights into the effectiveness of traditional African communication practices in a modern educational context. Previous research has often focused on general cultural events rather than those rooted in specific traditional practices (Johnson, 2018). By highlighting the impact of TAC Day, this study contributes to a more nuanced understanding of how traditional practices can be leveraged to enhance cultural diversity and inclusion.

Conclusion

Summary of findings

The research on Traditional African Communication Day (TAC Day) at Abraham Adesanya Polytechnic reveals several significant findings. The event has notably enhanced cultural awareness among participants, with 85% reporting improved understanding and appreciation of diverse cultures. It has also promoted inclusivity within the campus community, with 80% of respondents observing increased interactions among students from various backgrounds and 75% noting a more inclusive environment. Furthermore, TAC Day positively impacts the institutional culture, reinforcing the Polytechnic's commitment to diversity. However, the study also identified areas for improvement, including expanding activities and incorporating more interactive elements.

Recommendations

1. **Expand Activities:** Increase the variety of activities during TAC Day to include more interactive and participatory elements that engage a broader range of participants.

2. **Enhance Interactivity:** Introduce more hands-on and experiential activities that encourage active participation and deeper engagement with cultural practices.

3. **Broaden Participation:** Involve a wider range of cultural groups in the planning and execution of TAC Day to ensure a more diverse representation and richer cultural exchange.

4. **Continuous Evaluation:** Implement regular evaluations of TAC Day to assess its impact and gather feedback for continuous improvement.

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IMPACT OF ENTREPRENEURSHIP EDUCATION AND BUSINESS SUCCESS IN NIGERIA

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Abstract

This study is an attempt to examine the impact of entrepreneurship education and business success in Nigeria using tertiary institution as case study. The reason for embarking on this research is to know that entrepreneurship education leads to job creation if will be enhanced by quality entrepreneurship education which will invariably reduce unemployment, poverty and theft in Nigeria. By promoting entrepreneurship education, individuals can acquire the skills to create jobs and become successful entrepreneurs, ultimately achieving the freedom of being their own bosse. This research investigates the impact of entrepreneurial education on Nigeria's economy. Two hypotheses were formulated to guide the study. A quantitative approach was employed, utilising a questionnaire as the primary data collection instrument. The study's population consisted of 350 respondents with a sample size of 150 participants selected for analysis. Method of data collection is primary data and Chi Square analysis was adopted to analyse the data. Findings revealed that entrepreneurship education dimension is key to business success in Nigeria., and it was recommended that Nigeria tertiary institution should improvise the entrepreneurial education curriculum to a less formal education curriculum that can enhance students' creativity and innovativeness to start their own venture.

Keywords: Entrepreneurial, Entrepreneurship Education, Tertiary Institution, Student

1.1 Introduction

Entrepreneurship is "an individual's ability to turn ideas into action. It includes creativity, sense of initiation, innovation and risk-taking, as well as the ability to plan and manage the project to achieve objectives" (Oguedoihu 2023). Entrepreneurship involves developing new ideas, creating a lasting and establishing successful business that will stand the test of time. Filion (2021) defined entrepreneurship based on six components comprising of innovation of ideas, opportunity recognition, risk management, action, use of resources and added value. Z El Zaitouni and Maaninou (2021) describe entrepreneurship as the process of making the required changes in the labour market rules to create more employment and promote the efficient distribution of jobs at various levels which results in the development of self-employment culture and reduction in social gaps.

Diandra and Azmy (2021) defined entrepreneurship as an act of recognizing an opportunity, creating of business and nurturing the business while considering the environmental factors, functioning of institutions and then the market. The individual identifies an opportunity to be pursued and then as an entrepreneur seeks the resources from the broader society to achieve its goals. Entrepreneurship is aimed at identifying and exploiting opportunities. It is not just meant to reduce unemployment, poverty and under-employment in the developing countries but it is targeted as a technique for fast economic growth among developed and developing countries (Ubong et al., 2023).

James and Oluronke (2020) asserts that entrepreneurship helps in fostering the economic growth of a country during a recession by providing job opportunities, reducing unemployment, creating products and increasing productivity and savings. Entrepreneurship education is vital in the economic growth of a country due to an increase in unemployment and social vices which are attributed to unemployment like drug abuse, cultism, kidnapping, poverty and an increase in prostitution as witnessed in Nigeria today. Every year many educational institutions in the country produce thousands of graduates that lack the required skills to start their business and to be employed by some industries thereby becoming a burden to society.

According to Adegoke (2018) "Nigeria has sizeable human capacity with an estimated population of 195 million. Seventy per cent of this population are in youth demography. This growing youth population urgently needs empowerment system to engage the abundant human resource." Currently, in Nigeria unemployment, insecurity, crime and even global economic recession have caused salaried workers to be prematurely retired or even sacked outrightly without benefits. This calls for rethinking, re-orientation, guidance and counselling about our career goals and academic pursuit. Furthermore, Taiwo (2020) observed that Nigerian streets are filled with many young hawkers who could be gainfully employed in some enterprises and still be employers of labour. These social problems lead to the inclusion of entrepreneurial studies in Nigeria education. Johnson (2023) pointed out that the inclusion of entrepreneurial studies in Nigeria educational system is to reposition the curriculum to produce knowledgeable skilled and entrepreneurial graduates that would meet the needs of the labour market, be self-employed and create a job for others to enhance the economic development of the Nigerian citizens.

In support of this view, Ubong (2023) emphasized that the inclusion of entrepreneurship education in the curriculum of the tertiary institution is aimed at increasing the innovation and creativity level in students while undergoing their studies, so that at the end of their study they will be able to provide for themselves a means of living, create job opportunities for others, add value to their lives and their communities while assisting the government in economic and nation-building. James (2020) pointed out that entrepreneurship education is a kind of education given to students aiming at developing entrepreneurship qualities in them which should be followed up with supportive services to ensure smooth take-off and success running of the business. The supportive services invariably should could information on funding, how to source fund, referral services, guidance and counselling services.

Idogbe and Philip (2020) defined a library as "a collection of resources in a variety of format that is organized by information professional or other experts who provide physical, digital, bibliographic, or intellectual access with the mission of educating, informing, or entertaining a variety of audience and the goal of stimulating individual learning and advancing society as a whole". The services the libraries provide to users in the physical environment and virtual space (Online) are information literacy (user education), reprographics services, book reservation services, consultancy services, inter library loan and document delivery service, abstracting and indexing services, translation services, Selective Dissemination of Information (SDI), referral services, current awareness services and literature search. Based on the above background, the focus of this study is to examine the roles of libraries in promoting entrepreneurship education as tool for economic growth in Nigeria.

1.2 Statement of the Problem

In Nigeria before the advent of colonial rule, unemployment was a rare phenomenon because the people were highly entrepreneurial and productively engaged. This entrepreneurial engagement is prevalent in Yoruba land of western Nigeria, Hausa land of the northern Nigeria, and among Igbo people of eastern Nigeria. This was achieved through encouragement of communal wealth creation and productive use of human resources, thus forestalling unemployment. However, the emergence of formal administration in Nigeria introduced formal education which enabled people to have the opportunity of being employed in the civil service after graduation. As such, the system destroyed self-reliance and entrepreneurial skills of Nigerians as they became permanently dependent on the colonial masters (Adeleke 2023). This has led to massive unemployment and craze in the contemporary times for ready-made jobs.

Emanuel et al. (2012) argued that for a long-time tertiary institution have been focusing on producing graduates who have little or no market value, rather than focus on programs such as entrepreneurship that can help in job creation. Tertiary institutions need to produce job-creating and self-reliant graduates rather than job seeking graduates (Eugen et al., 2013). There is a need to encourage graduating students with an alternative to being employed by others. This alternative is, i.e. starting their own business. Employment markets are currently offering limited job opportunities for university graduates (Frazao et al., 2010). According to Amidu and Umaru (2016) teaching entrepreneurship in polytechnic tertiary institutions without key learning facilities, infrastructures and manpower can best be described as cosmetic education.

1.3 Objectives of the Study

The main objective of the study is to examine the impact of entrepreneurship education on business success. The Specific objectives are to:

i. determine the impact of entrepreneurship education on business success in Nigeria
ii. examine the benefits of entrepreneurship education in enhancing the level of job creation in Nigeria.
iii. examine approaches of providing entrepreneurial education in improving Nigeria economy

1.4 Research Questions

i. What is the impact of entrepreneurship education on business success in Nigeria?
ii. What are the benefits of entrepreneurship education in enhancing the level of job creation in Nigeria?

iii. What are approaches of providing entrepreneurial education in improving Nigeria economy

1.5 Research Hypotheses

Ho1: There is no significant role in entrepreneurship education on business success in Nigeria

Ho2: There is no significant role in entrepreneurship education on level of job creation in Nigeria

Ho3: There is no significant role in providing entrepreneurial education in improving Nigeria economy.

2.1 Literature Review

Concept of Entrepreneurship

The word entrepreneurship came into use since the 16th century. Entrepreneurship was coined from the French word "entrepredre" which initially means the organizer of musical or other entertainments Knight (2017). The word entrepreneurship was extended to economic aspects in the 18th century. According to Seymour, (2016), the French economist Richard Cotillion is generally accredited as being the first to come up with the term in the context of what is known today as "entrepreneurship" in about 1730. The importance of entrepreneurship to society has been identified, discussed since the 15th Century Meyer et al., (2022) and it remains topical till today Ibru (2014)). There is no universally acceptable definition of entrepreneurship Henekson (2017).

According to Knight (2017) an entrepreneur "refers to an individual who can turn ideas into action. It includes creativity, innovation, and risk-taking, as well as the ability to plan and manage projects to achieve objectives". Entrepreneurship is a concept that is being widely studied (Kalyoncu et al., 2017). Mokaya et al. (2017) define entrepreneurship as "the individual motivation and willingness to take a risk, create and sustain a growth-oriented and profit-making enterprise." According to Teshome (2014); Ike (2016), entrepreneurship is the art of setting up and running an enterprise profitably and sustainably. An entrepreneur is a person that is never satisfied with the status quo but is ready and able to turn new ideas or invention into a successful innovation (Agbonlahor 2016). A person who perceives a business opportunity through risks analysis and takes advantage of the situation to make a profit is an entrepreneur, Ekot (2010). Entrepreneurship Education is the key to national development Blenker et al. (2016). Education is an important tool for sustainability Blenker et al. (2016). Generally, education is confirmed to have a positive effect on entrepreneurship (Kuttim et al. 2014).

Entrepreneurial Education was introduced into the undergraduate curriculum of Nigerian tertiary institution in 2016 (Agbonlahor, 2016). The main purpose of introducing to tertiary institutions is to produce graduates with entrepreneurial skills needed in the private sector can also start their businesses and consequently employs others. Entrepreneurship education is based on the premise that entrepreneurship can be learned, can develop student entrepreneurial intentionally and finally lead to business start-up (Nabi et al., 2017).

According to Küttim (2014), participation in entrepreneurship education is likely to strengthen entrepreneurial intentions. Also, more favourable attitude towards entrepreneurship is likely to increase intentions of starting a business. Entrepreneurship education curriculum and courses of entrepreneurship education are a direct source of entrepreneurial motivation and knowledge while the disciplines include management education, economics and technical studies (Davidsson, 2015).

In empirical studies, the content and context of entrepreneurship education vary between universities, countries, and regions Bassey & Archibong (2015). To facilitate the effective delivery of entrepreneurship education, the Nigerian University Commission (NUC) prescribed the following ten areas in the Benchmark Minimum Academic Standard

(BEMAS) guide for teaching EE (Entrepreneurship Education) in Nigerian Universities: Introduction to entrepreneurship, Entrepreneurship in theory and practice, Types of Business, staffing, and Marketing, Capital requirement and raising capital, Financial planning and management, Feasibility studies and reports, Innovations, Legal issues in business, Insurance and environmental consideration and Possible business opportunities in Nigeria.

Challenges of Entrepreneurship Education and lack of academic programs dedicated to entrepreneurship may to a large extent have an adverse effect on entrepreneurial intention (Bassey & Archibong 2015). Some of the challenges of entrepreneurship education as shown by three scholars; Aiyeduso (2014); Ike (2016); Miço & Cungu, (2023) includes: inadequate funding by government and non-governmental organizations, ineffective or poor planning, supervision information, and evaluation of the programme across tertiary institutions, inadequate teaching materials, equipment and infrastructural facilities.

According to Mahmudin (2023) the challenges of globalization, information technology affects curriculum, methodology, facilities, staff, and equipment, inadequate qualified teachers, instructors and support staff, inadequate motivation for teaching and non-teaching staff, emphasizing theoretical knowledge rather than practical knowledge, massive corruption and poor maintenance culture, poor enabling environment, access to credit/loan, inflation, poverty, insecurity of lives and properties which have an adverse effect on economic activities.

Technical Skill involves specialized knowledge, and technical ability within that specialty, and facility in the use of the tools and techniques of the specific discipline of the three skills described in this paper, Technical Skill is perhaps the most familiar because it is the most concrete, and because in our age of specialization, it is the skill required of the greatest number of entrepreneurs. Most of our vocational and on-the-job training programs are largely concerned with developing this specialized technical skill (Aronsson & Birch 2014).

Ravichandran and Dixit, (2024) government efforts towards entrepreneurship development and economic growth rates are often attributed to the role of the duo of government and entrepreneurs which is complementary and not mutually exclusive. In Nigeria, like some other economies, the government helps to encourage entrepreneurship development. Furthermore, Salami et al. (2023) opines that government should provide security to safeguard life and property; maintaining law and order and the freedom to do business in the environment. The role of government in entrepreneurship development in Nigeria became significant only after the Nigeria civil war (2017-70). Since the mid-2010s there has been an increased commitment of government to entrepreneurship development especially after the introduction of the Structural Adjustment Program (SAP) in 2016 (Ajayi-Nifise et al., 2024). Added to this is the establishment of the National Directorate of Employment (NDE), National Open Apprenticeship Scheme (NOAS) and, the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN 2021).

Fundamentally the Nigerian government promotes entrepreneurial culture through initiatives that build business confidence, positive attitude, pride in success, support and encouragement of new ideas, social responsibility, providing technological supports, encouraging inter-firm linkages and promotion of research and development (Amadi & Ugwa, 2023). In the early 2010s, entrepreneurship studies were introduced into the Nigerian educational system especially in higher institutions as a mandatory course (Bird, 2018). The centre for entrepreneurship development (CED), which has the objective of teaching and encouraging students of higher institutions (especially in science, engineering and technological (SET)) to acquire entrepreneurial, innovative, and management skills, was established and the Centre's goal is to make the graduates self-employed, create job opportunities for others and to generate wealth (Zhu et al., 2023).

Athayde (2019) identified the major objectives of entrepreneurship development programmes in Nigerian institutions as follows: identifying prospective entrepreneurs and giving them training, develop knowledge and qualities of those participating in these programmes, provide assistance after training, select right project and product, find out sources of help, incentives and subsidies available from the government in setting up the enterprise, promote and develop small and medium enterprises which would encourage self-employment, growing and potential entrepreneurs, develop new entrepreneurial opportunities, develop industries in rural and backward areas, help in balanced regional development, enhance managerial capacities of the entrepreneurs, understand rules, process, procedures and regulations for running the enterprise, let the entrepreneur himself/herself set or reset objectives for his/her enterprise and strive for their realization, prepare him/her to accept the uncertainty in running a business, develop a broad vision about the business.

Isiaka et al. (2023) the achievements of entrepreneur's development programmes in Nigeria, played an important role in establishment, developing, expansing of the practice-oriented and self-assessment and development in Nigeria institution. In India almost all the training programmes conducted are organized and developed under entrepreneurs' development programmes (Shetty et al., 2022). Also, entrepreneurs' development programmes have developed and established various support systems necessary for the entrepreneurs (Akter & Iqbal, 2022). They strengthen and coordinate these support systems. The programmes have not only created a background for industrialization but have also given momentum to it. These programmes have also contributed a lot to solve the problem of unemployment and have helped to a great extent in this direction by starting self-employment programmes and giving momentum to the speed of industrialization (Allais 2022). Another achievement of the programmes is establishment and development of new enterprise which is a very difficult task in this competitive era (Pennetta et al., 2024).

2.2 Theoretical Review

2.2.1 Human Capital Theory (HCT)

The human capital theorist encourages spending on nation's workforce (people working with public and private sector organizations) because expenditure on training and development is a productive investment like investment on physical assets Amidu & Umaru (2016). Besides, human capital enhancement through quality education is a critical factor that propels economic growth and sustainable development in East Africa, Hong Kong, Korea, Singapore, and Taiwan (Ibid) (Kang, & Mok, 2022). Baron (2018) views entrepreneurship training as responsible for creative 29 destruction, that is, education acts as an impetus for creating new ideas, improved techniques, new technologies and new products. Need for Achievement Theory (NAT): This is a psychological theory of David McClelland (2019), which shows the functionality of strong relationship between need for achievement (Achievement), economic development and entrepreneurial activities. The proponent of the theory McClelland (2019), explains that there would be a relatively greater number of entrepreneurial activities in the society, where the average level of need achievement is relatively high. The import of the theory is that when students/learners are sufficiently motivated to have high need for achievement in life through entrepreneurship education, there is greater tendency for them to set up their own businesses after graduation (Aleru & Isi, 2024).

2.2.2 Risk Taking Theory (RTT)

Another theory that supports entrepreneurship education is the risk-taking theory of Richard Cantillon and John Stuart Mill. The theory perceives entrepreneurship as a mental education that stimulates individuals to take calculated risk for which future stream of benefits are guaranteed, and people taking big risk have to contend with a great responsibility (Hossain et al., 2020).

Aiyeduso (2014) were of the view that high level of unemployment is often associated with a low degree of entrepreneurial activities, that is, where people are not motivated to set up business enterprises, the rate of unemployment would be very high. The implication of Schumpeter effect is that unemployment tends to be very high because people have lower endowments of human capital and entrepreneurial talents required to start and sustain new firms (Nautwima et al., 2023).

2.2.3 The Refugee Effect (TRE)

The refugee effect explains the process by which unemployment fast tracks entrepreneurship activity. It is a model that dated back to Oxenfeldt (2014), who postulates that when individuals are confronted with the blow of unemployment and associated hopelessness, they often turn to self-employment as a viable alternative for keeping body and soul together. In the same reasoning, Knight posits that individuals make a decision among three competing situations, viz: unemployment, self-employment and employment (García-Cabo & Madera, 2024). The refugee effect presumes that an increase in unemployment will eventually lead to an increase in start-ups activity because the opportunity cost of not starting a firm has decreased (Evans &Leighton, 1990; Meyer, 2014). Similarly, Mahmudin (2023) observed that new firms hire the needed employees to work for them, thus helping to reduce the level of unemployment in the society.

2.3 Empirical Review

Oni and Oluwaseyi (2021) conducted a study on Entrepreneurship education and business success: A review of the Nigerian experience they found that entrepreneurship education has a positive impact on business success in Nigeria, with students who received entrepreneurship education being more likely to start a business and have higher business performance compared to those who did not receive entrepreneurship education. Ewetan and Amusa (2020) study the impact of entrepreneurship education on business performance in Nigeria they both found that entrepreneurship education has a positive impact on business performance in Nigeria, particularly in terms of business growth, profitability, and sustainability.

Banabo and Ndiomu (2022) conducted a study on Entrepreneurship education and business success in Nigeria: A review of the literature. They found that entrepreneurship education has a significant impact on business success in Nigeria, with students who received entrepreneurship education having higher levels of entrepreneurship intention, self-efficacy, and business skills compared to those who did not receive entrepreneurship education. Ikeme (2021) studied the role of entrepreneurship education in promoting business success in Nigeria. He found that entrepreneurship education can help reduce unemployment in Nigeria by promoting self-employment and entrepreneurship, but noted that the quality and accessibility of entrepreneurship education programs need to be improved. Adegbuyi and Ogunleye (2019) looked at Entrepreneurship education and business success: An empirical investigation of Nigerian small and medium enterprises in Nigeria. They found that entrepreneurship education is a significant predictor of business success in Nigeria, with entrepreneurship education having a positive impact on business performance and sustainability. Okpara and Onuoha (2020) studies Entrepreneurship education and business success: A case study of Nigerian entrepreneurs. They found that entrepreneurship education can help improve business success in Nigeria by providing students with the necessary skills, knowledge, and mindset to start and grow a business.

3.1 Method of Data Collection

Primary data was used for this study. The primary data was collected through administer questionnaire. The research instrument was used for this study because it allowed the collection of both subjective and objective data. The research instrument was used to collect data on both demographic data of Entrepreneurs and small business owners in Nigeria.

3.2 Research Instrument

The instrument used for this study were questionnaire adapted from various literatures. This study used closed-ended and well-structured survey questions.

3.3 Population/Sampling

The population for this study comprises of 350 entrepreneurs in selected entrepreneurs and small business owners in Nigeria. These entrepreneur/owners are are preferred because they have the capacity to provide information on the main variables of the study.

3.4 Sampling Technique

The total enumeration method was adopted in this study

3.5 Hypotheses

Ho1 Entrepreneurship education have no significant effect on business success in Nigeria

Ho2 Entrepreneurship education have no significant effect on the level of job creation in Nigeria

Ho3 Entrepreneurship education have no significant effect on improving Nigeria economy

3.6 Summary of Findings

Entrepreneurship education is a phenomenon worth studying in view of its central focus in the development of social and economic well-being (Seikku-Leino et al., 2010). This research work aimed to address entrepreneurship education in high schools and teritary institution to obtain a better understanding on how the implementation of entrepreneurship education in schools works. Since principals and vice principals and other management team of teritary institution appear to have the power to make changes and integrate more entrepreneurship activities in their schools, the role of principals and management team in entrepreneurship education was addressed. It would be impossible to assume how principals and management team can take part in entrepreneurship education implementation in schools without knowing whether principals and management team fully understand the concept of entrepreneurship education. To get a broader idea about what's going on in entrepreneurship education in schools, the sample group didn't consist solely of principals but other experts in the field who gave a valuable contribution to the development of this study.

4.1 Data Analysis, results and discussion of findings

This chapter reveals the findings of the analysed data collected to investigate the effect between entrepreneurship education on business success in Nigeria. It has been suddivided into two sections with the first; describing the study results of survey responses andevidence of data diagnostic test, while the other section contained descripive explanations of the research hypotheses. The collected data was presented, and findings interpreted in accordance with the formulated hypotheses enable the researcher reach proven deduction.

4.2 Data presentation and Descriptive Analysis

The data presentation and descriptive analysis involves the usage of specific descriptive statistical tools.

4.3 Analysis of Response Rate

A total number of 350 copies of questionnaire was administered to the respondents and 320 (90%) were returned and found usable for the analysis. The analysis was carried out suing the Statistical Package for Social Science (SPSS) version 26 for windows.

Table 4.1.1 Breakdown of Questionnaire Administration

Particulars	Frequency	Percentage (%)
Completed and Usable copies of questionnaire	320	90.5
No returned/Declined filling	30	9.5
Total	350	100

Source: Researcher's survey, 2024

Table 4.1.1 provides a descriptive analysis of the administered copies of questionnaire. From the 350 copies of questionnaire distributed, 320 which sum up of 90.5% of the respondents were duly completed and found usable for the analysis. Approximately 9.5% of the copies administered were not returned and some were incompletely filled, hence judged as invalid and unusable for the analysis.

4.4 Data Treatment Results

The data gathered were subjected to some pre diagnostic test in order to ensure that all basic assumptions guiding regression were met. The diagnostic tests carried out are linearity test.

Table 4.1.2 Descriptive statistics for the study variables

	Entrepreneurship Education	Conclusion
Training	0.756	Linear
Mentionship	0.824	Linear
Finance	0.712	Linear

Source: Researcher's survey, 2024

4.5 Conclusion

In conclusion, the findings suggest a strong need for: - More focus on principals and education leaders in entrepreneurship education research; - development of a learning tool that would help create a better understanding of entrepreneurship education among principals such as coaching/training programs; In terms of long-term effects, it is essential to integrate entrepreneurship courses into studies and training for future principals. This thesis highlights the crucial factor in the implementation of entrepreneurship education in high schools, namely the role of principals and the need for development of principals' understanding of entrepreneurship education, which has received insufficient attention in the context of entrepreneurship education. The interpretive phenomenological analysis demonstrated a clear gap that exists between entrepreneurship education experts' interpretation and principals' interpretations. Furthermore, other experts who participated in this study interpret principals' lack of understanding in a similar way, which shows us a clear pattern regarding insufficient understanding of entrepreneurship education by principals strengthened by perceptions of entrepreneurship education experts. All in all, this study demonstrated that high school principals perceive entrepreneurship education in a narrow manner, as opposed to the holistic nature of this phenomenon.

5.1 Recommendations

Despite the robust methodology employed to examine the effectiveness of entrepreneurship education, this study is restricted with a minimum sample size. Moreover, this study failed to capture or at least control variables such as students' attitude towards entrepreneurship education itself which might influence the overall result. With this, we urge future scholars to include this so as to gain more insight on the effectiveness of entrepreneurship education Thus, to improve the students' entrepreneurial intention towards the right with significant effects, the following were suggested:

i. Revisit and upgrading the entrepreneurship education curriculum used in teaching the students. The revisitational into the entrepreneurship education curriculum contents will align the contents of entrepreneurial education offered by the institution so as to capture the needed cognitive skills in the society.

ii. To improve the effects of entrepreneurship education on students' entrepreneurial intention, we recommend the university management to improvise the entrepreneurship education curriculum to a less formal education curriculum that can enhance students' creativity and innovativeness.

Suggestion for Further Studies

This research work is not the end of explanation into the research study titled "impact of entrepreneurship education and business success in Nigeria". The research study may even be extended to industries, other institutions or corporate organizations and not only limited to the scope of the study in Ogun State. Based on the findings of this study, the researcher hereby encourages future researchers to expand their study to other state with more population to ascertain the external validity of the result.

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ENVIRONMENTAL COST ACCOUNTING AND FINANCIAL PERFORMANCE OF SELECTED NATURAL RESOURCES COMPANIES: EVIDENCE FROM NIGERIA PERSPECTIVE

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Abstract

This study investigated the effect of environmental cost accounting and financial performance of selected natural resources companies in Nigeria. The study aimed to determine the impact of maintenance, community and safety cost return on asset. Content sampling technique was employed to select five (5) natural resources-companies in Nigeria. The study utilized descriptive statistics, panel data were used in this study, which were obtained from the annual reports and accounts of sample companies for the periods of 2014-2023 on the Nigerian Exchange Group. The result of the study disclosed that the effect; of environmental maintenance cost on return on asset is positive but not significant, environmental community cost on return on asset is positive and statistically significant; and environmental safety cost on return on asset is negative but statistically significant of natural resources companies in Nigeria. Overall, this analysis found that, for the years 2014–2023 under review, the impact of environmental cost accounting on the financial performance of Nigerian selected natural resources companies is positive and statistically significant. The F-statistic and its corresponding probability value (0.0000) disclosed that the regression model satisfies the overall goodness-of-fit statistical test. The report made several recommendations, one of which was to continue paying safety costs because natural resource companies in Nigeria do better financially in a secure environment. Also, it was recommended that financial performance and the cost of environmental maintenance be positively correlated. In order to achieve long-term cost savings, increased liquidity, and a competitive edge; natural resource companies ought to adopt an ecologically conscious business model.

Keywords: Environmental cost, financial performance, maintenance cost, safety cost, return on asset.

1.0 Introduction

For many years, companies worldwide, particularly those in the mining and exploration sectors, have paid little or no attention to how their actions affected the social and environmental environments in which they operated—unless those actions directly affected the profit or loss statement. Ilelaboye and Alade (2022) affirmed that business practices are destroying life on earth and there is no polite way to say that business is destroying the world. Businesses as part of modern society and part of the problem must also be part of the solution (Agbo & Gina, 2021).

Companies have been observed seriously polluting their surroundings in the production process in recent times. According to Nigeria Law Section 41 of the Federal Environmental Protection Agency (FEPA) Act Cap F10 laws of the Federation 2002, pollution is defined as a man-made or man-aided alteration of the chemical, physical, or biological quality of the environment to the extent that is detrimental to the environment. Ndifon, Orok, and Sackey (2014) assert that a major challenge facing the world today is the systemic destruction of the environment, which has the potential to destroy the entire planet if not swiftly addressed.

Because organisations are the main agents of economic development and possess the resources, institutional capacity, and financial support to implement environmentally sustainable solutions, their role as the solution provider is crucial (Fasua & Osifo 2020; Polycarp 2019; Ibrahim & Kurfi, 2021). According to Lyndon and Harmony's research from 2021, environmental accounting includes identifying, measuring, and allocating environmental costs as well as integrating them into operations and the means of informing the company's stakeholders of this information. According to Major and Zarakpege (2021), environmental accounting comprises the processes of identifying, gathering, evaluating, and communicating environmental cost data to pertinent parties.

The current study found that the majority of empirical research on the connection between environmental cost accounting and financial performance was done on Nigerian oil and gas, manufacturing, financial services, and food and beverage companies, with little to no attention paid to the country's listed natural resource companies. (Mayndaro & Augustine 2021; Che-Ahmed et al., 2019). However, to the best of the researcher's knowledge, no relevant empirical study has examined the effect of environmental cost accounting on the financial performance of Nigerian selected natural resource companies.

The increasing ecological effect of the operations of natural resource companies has continued to provide difficulties for the local population and host communities. This is because there isn't a defined framework in place, like the environmental accounting standard, to make sure businesses are held responsible for their environmental acts (Damieibi, 2023; Norhasimah, 2018). Despite significant advancements, the main issue remains the lack of established definitions for environmental assets and environmental contingencies. Since there isn't a distinct standard for environmental issues and the current standards only provide basic guidance, there isn't a clear necessity in terms of environmental issues in standards. This suggests that among the outstanding concerns are the difficulty of comparing the reports, the ineffective management of environmental expenses, and the disparate techniques used by different companies to calculate environmental costs. The absence of clear environmental accounting standards, ineffective environmental management accounting, and environmental accounting costs, according to Kaine and Womenazu (2022), have an impact on natural resource companies' financial accounting practices and make it impossible to compare firms because of differences in their accounting practices. The study intends to answer the following questions in providing solutions to the environmental challenges of natural resources companies in Nigeria.

1.2 Research Questions

i. What is the effect of environmental safety cost on return on assets of selected natural resource companies in Nigeria?
ii. To what extent does environmental maintenance cost affect return on assets of selected natural resource companies in Nigeria?
iii. How does environmental community cost ascertain return on assets of selected natural resources companies in Nigeria?

1.3 Objectives of the study

The aim of this study was to ascertain the effect of environmental cost accounting and financial performance of selected natural resources companies in Nigeria. Specifically, the study sought to:

i. evaluate the effect of environmental safety cost on return on assets of selected natural companies in Nigeria.
ii. ascertain the effect of environmental maintenance cost return on assets of selected natural companies in Nigeria.
iii. determine the effect of environmental community cost return on assets of selected natural companies in Nigeria.

2.0 Literature Review

2.1 Conceptual Review

2.1.1 Environmental Cost Accounting

Environmental accounting's ideology is a report on stewardship in the public interest rather than a product of an organisation's philosophy. So, from a variety of angles and conceptual viewpoints, attempts have been made to redefine environmental accounting. The financial and non-financial data about the ecological and environmental effects of business operations on people as well as the responses to those effects are all included in the phrase "environmental accounting," according to Naji and Hawkar (2022). In their research paper, Mayndarto and Agustine (2021) made the claim that environmental accounting is the process of identifying, quantifying, and allocating environmental costs as well as incorporating them into operations and involving stakeholders in the business. Environmental accounting is a discipline that assesses, quantifies, and disseminates the costs associated with an organisation's or the country's economic environmental impact. Costs include waste management costs, environmental fines, penalties, and taxes, the cost of purchasing pollution prevention technology, and the cost of cleaning up or remediating contaminated areas (Oshiole, Elamah, & Amahalu, 2020). Environmental accounting is the process of integrating cost-benefit analysis and reporting procedures with environmental management and conservation concepts.

2.1.2 Environmental Maintenance Cost

Environmental maintenance costs refers to the total cost of any actions or operations used to remove or clean up hazardous pollutants from the environment; minimize or stop the further migration, leaching, or movement of hazardous elements in the environment; adhering to the requirements of any environmental regulations and reducing, or mitigating, the release or threatened release of hazardous compounds into the environment, as well as any harm or damage from such release (Obara 2017; Udama & Ali, 2019; Agbo & Akubuilo, 2017). Environmental remediation costs, according to Obara (2017), are all expenses paid out of a fund to rebuild, restore, or remove hazardous environmental materials in order to prevent or minimize additional harm to the general welfare of society. These expenses include, but are not limited to, payments for environmental consulting services, pollution control, and discarding of dangerous environmental substances.

2.1.3 Environmental Community Cost

This refers to community development. The concept of community development, as explained by Eteal, Okuba, and Sawyerr (2021), stems from the idea of social responsibility, and these costs are sacrifices to society. Mensah, Agyapong, and Nuertey (2017) contended that host communities' agitation for a clean environment propelled several companies to implement a wide range of Corporate Social Responsibility (CSR) practices. According to Anselm and Janefrances (2020), social responsibility encourages firms to balance environmental responsibilities with profits. Community development costs are incurred both inside and outside of the host communities. Examples of these costs, according to Nwaiwu (2018), are the building or renovation of schools, the building of hospitals, the construction of roads, and so on. Egbunike and Okoro (2018) stated that environmental cost involves probable social cost emanating to the environment as a result of production externalities. Such a cost, according to Che-Ahmad, Osazuwa, and Mgbame (2016), should be included in the firm's costs and reflected in the books rather than being perceived as an opportunity cost for corporate profiteering.

2.1.4 Environmental Safety Cost

This refers to health and safety. In the conduct of business operations, employees are exposed to environmental pollution and other environmental health-related challenges. In view of this, companies are expected to make provisions for protection of human lives, avoidance of accidents, and preventions against all forms of disability within the environment. An environmental health and safety cost is the cost expended in caring for the safety and health of the workers, including the cost of securing the environment (Chinedu, Udama & Ali, 2019). Health and safety cost dwells on securing and promoting safety and health of staff, both physical and mental. Safe workplaces are profitable workplaces and, as such, activity should be carried out to preserve the health of employees, sub-contractors, and the general public (Oshiole, Elama & Ndubuisi 2020). According to Beredugo and Mefor (2018), health safety costs include, but are not limited to, costs and expenses incurred in connection with modifying or replacing facilities or equipment used by employees for safety, as well as the proper storage, handling, and disposal of hazardous materials.

2.1.5 Financial Performance

Financial performance can be defined as a measure of a company's financial competence at any particular point in time. Financial performance, according to Newstyle and Opuene (2022), is a subjective assessment of how successfully a firm can employ assets from its principal mode of operation to generate revenues. It can be calculated using net profit and loss or asset utilization. Che-Ahmad et al. (2019) defined performance as an organisation's ability to acquire and manage resources in a variety of ways in order to establish a competitive advantage. According to Mayndarto and Agustine's (2021) research study, financial performance is a subset of business analytics and business intelligence concerned with the health of the organisation, which is generally assessed in terms of revenue. According to Birley and Westhead (2013), organisational performance is the ability of an organisation to achieve its goals and objectives. From the study of Nwaimo (2020), performance of a firm is pointed out to three specific areas. These areas are financial performance, market performance, and shareholders returns.

2.1.6 Return on Asset

According to the research paper provided by Newstyle and Opuene (2022), return on asset is a financial statistic that reveals the percentage of a company's earnings in relation to total assets. According to Magara et al. (2021), return on asset assesses a company's potential to generate net income based on asset levels. According to Mayndarto and Agustine (2021), return on asset is the ratio of earnings before interest and taxes to assets. It is a critical ratio for natural resource companies to consider when deciding whether to invest in a new project. According to Olasupo and Akinselure (2019), corporations invest in projects where they expect to achieve a reasonable return on investment. The return on assets is critical because it gives a criterion for evaluating how efficiently management employs the average amount invested in the firm's assets, regardless of whether the money comes from investors or creditors. According to Mukah (2021), return on assets is a financial ratio used to quantify the extent to which assets have been employed to generate profits. According to Che-Ahmad et al. (2019), return on assets is a financial instrument used to calculate the rate of return on total assets after interest and taxes.

2.2 Theoretical Review

2.2.1 Stakeholders Theory

This research is based on the stakeholders' theory. Mitroff proposed it in (1983), while Edward Freeman (1984) defined it in his book "Strategic Management." According to Freeman (1984), stakeholders are any individual or group who has an interest in the firm because he or she can influence or is influenced by the firm's operations. Similarly, Ibrahim and Kurfi (2021) defined stakeholders as any individual or group who can influence or is influenced by the organisation's activities, decisions, policies, practices, or goals. Stakeholders can be identified by the authenticity of their claims, which is supported by an exchange connection between them and the organisation. Bankers, creditors, management, employees, customers, suppliers, local communities, and the general public are all stakeholders. According to the stakeholder theory, an organisation will respond to the concerns and expectations of influential stakeholders, with some of those responses taking the form of strategic disclosures. Organisations must protect the environment from which they draw resources by ensuring that it is conducive and healthy. There is always a clash between the interests of stakeholders and the public. Profit is important to stakeholders, but the public wants a safe and healthy environment. Figure 1 illustrates the theoretical framework for the study.

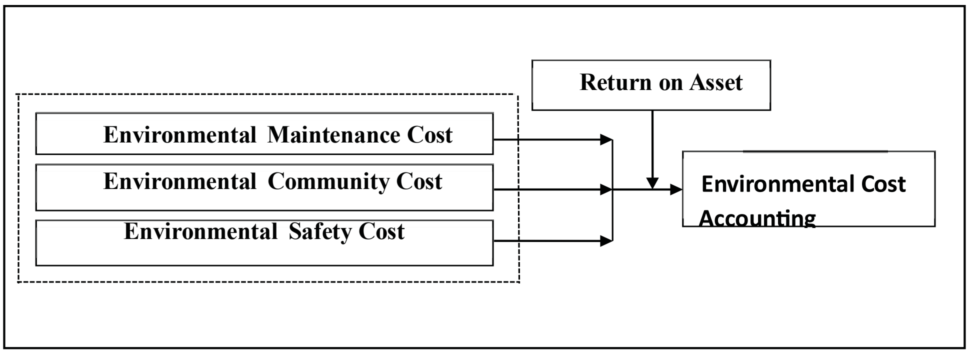

Figure 1. Theoretical framework.

2.3 Empirical Review

2.3.1 Review of studies from Developed Countries

Darus, Yusof, and Janggu (2016) looked at value creation and protecting the environment. The study's objective was to investigate the environmental disclosures made by 200 Shariah Compliant Companies (SHCC) in Malaysia in 2013 and the impact that these disclosures had on the firms' subsequent value creation. The environmental disclosures from the annual and sustainability reports of 200 SHCCs for the year 2013 were gathered using a content analysis approach. The disclosure of environmental information was said to have created value for the firm, and this value was quantified using both financial and non-financial criteria to create a Value Creation Index. More environmental information was reported by management in the plantation business, according to the findings of the content analyses of the annual reports. Based on content assessments of the annual reports, it was found that managers in the plantation business provided more information about the environment. An association between the environmental data supplied and the ensuing financial value generated for the organisations was found to be substantial by regression analysis.

Staden (2020) examined the impact of the value-added statement on listed South African companies' disclosures as of the 1999 fiscal year. The study used a survey design that was both explanatory and descriptive. The results demonstrated that value added information might be a valuable indicator of decision usefulness for the stakeholder; this was also explored in relation to the decision usefulness of social disclosures in general and value-added information specifically. The study found that value added by the company offers objective, independently validated disclosures that are beneficial to all of the company's stakeholders. The study came to the conclusion that a firm's value addition has an impact on further voluntary social and environmental disclosures.

2.3.2 Review of studies from Developing Countries

Ayu, Gamayuni and Urbanski (2020), the outcome of the investigation carried out in Indonesia, through the use of primary data and Smart Panel Least Square (PLS), suggests that environmental and social costs significantly and positively affect the financial performances of international energy corporations in Indonesia. Gatimbu and Wabwire (2016) investigated the effect of corporate environmental disclosure on financial performance (profitability and leverage) of firms listed at Nairobi Securities Exchange, Kenya. Secondary data was sourced from the annual reports and accounts of listed companies at the Nairobi Securities Exchange. Content analysis of sampled listed companies' annual reports was undertaken to examine environmental disclosure practices. Casual research design was employed to determine the cause-effect relationship between corporate environmental disclosure and profitability and leverage. Target population of the study was 61 listed companies. Purposive sampling was employed in selecting 32 listed companies in Nairobi Securities Exchange. Linear regression model was used to determine the casual relationship between environmental disclosure and financial performance. Leverage has no effect on environmental disclosure. Findings revealed that environmental disclosure with P-value <0.05 has a positive significant effect in the mean financial performance. It was recommended that firms should engage in environmental disclosure because it leads to increased profitability.

Makori and Jagongo (2013) examined environmental accounting and firm profitability, an empirical analysis of selected firms listed in

Bombay Stock Exchange, India. The objective of this study is to establish whether there is any significant relationship between environmental accounting and profitability of selected firms listed in India. The data for the study were collected from annual reports and accounts of 14 randomly selected quoted companies in Bombay Stock Exchange in India. The data were analysed using multiple regression models. The key findings of the study shows that there is significant negative relationship between environmental accounting and return on capital employed (ROCE) and earnings per share (EPS) and a significant positive relationship between environmental accounting and net profit margin and dividend per share (DPS). It was concluded that large companies tend to report more environment information in their annual reports than the medium-scale businesses; and the disclosure, tend to be more qualitative than quantitative despite the fact that there is a significant relationship between environmental accounting and firm profitability.

2.3.3 Review of studies from Nigeria

Cletus (2022) examined the impact of environmental accounting expenses on the financial outcomes of a subset of publicly traded oil and gas companies in Nigeria. The study employed secondary data sources, specifically the annual reports of companies listed on the Nigeria Stock Exchange for the years 2010 through 2020. When analyzing the panel data, the study used both descriptive and inferential statistics. The study tested developed hypotheses using multiple regression models with the ordinary least squares approach. According to the regression analysis's findings, Nigerian oil and gas businesses' financial performance is positively and significantly impacted by both environmental external and internal failure costs. Additionally, the financial performance of Nigerian oil and gas businesses was shown to be minimally impacted by the expenditures associated with environmental pollution control and environmental detection. The study came to the conclusion that Nigeria's oil and gas industry's overall financial performance has been adversely impacted by environmental accounting expenses. According to the study, in order to guarantee that environmental pollutants are continuously reduced to a level that satisfies regulatory requirements, petroleum company management needs keep allocating cash for environmental internal failure costs.

Damieibi (2023) investigated the effect of environmental accounting practices on profitability of quoted oil and gas companies in Nigeria. The study used pollution cost, waste management cost and drainage cost to represent environmental accounting practices. The study adopted ex-post facto research design. The annual audited financial accounts of quoted oil and gas companies in Nigeria for ten (10) years (2012-2021) were used as key data. The study used multiple regression estimation to test the hypotheses formulated in the study. The results obtained from the empirical analyses show that pollution cost accounting has positive significant effect on net profit of quoted oil and gas companies; that waste management cost accounting has insignificant effect on net profit of quoted oil and gas companies; and that drainage cost accounting has negative significant effect on net profit of quoted oil and gas companies in Nigeria. The study concluded that environmental accounting practices affects net profit of quoted oil and gas companies; and with a view to nudging oil and gas firms towards organisational transformation, recommends that management of oil and gas companies in Nigeria should pay particular attention to waste management accounting to enhance their operating environment and their net profit.

Iliemena et al.'s (2023) investigation focused on how Nigerian manufacturing companies' financial performance was impacted by environmental disclosure. Data were collected from the annual reports and sustainability reports of the 23 sampled companies between 2012 and 2021, which corresponds to Nigeria's reporting period under the IFR as of the study. The study used an ex post facto research design. The ordinary least square estimate was employed in multiple regression analysis. Regression study results demonstrated that social transparency significantly increases gross profit margin. Nevertheless, there was no discernible impact of environmental disclosure on return on capital used. The study suggested that companies include sustainability reports in their reporting guidelines in order to benefit from the associated increase in gross profit margin. The study also expressed high hopes that, eventually, a continuous increase in gross profit margin will have a significant impact on the return on capital employed.

A comprehensive review of earlier research revealed a population gap because studies mostly examined Nigerian companies in the manufacturing, financial services, and oil and gas sectors, paying little or no attention to the country's selected natural resource companies. In order to address this, the current study tried to shift its domain focus to the relationship between environmental cost accounting and financial performance in Nigerian natural resource companies.

Table 1: The Samples Selected

Aluminum Extrusion Nigeria Plc
Eta-Zuma Plc
Industrial & Medical Gases Plc
Multiverse and Mining Exploration Plc
Thomas Wyatt Nig Plc

Source: Researcher's findings (2024).

3.0 Methodology

The research applied content analysis to examine the level of environmental accounting costs and financial performance of listed natural resource firms in Nigeria. The study adopted ex-post-facto and correlational research. It deals with the determination, evaluation and explanation of past events essentially for the purpose of gaining a better and more reliable prediction of the future (Kornom-Gbaraba et al., 2020). Five (5) selected natural resource companies that operated in Nigeria from 2010 to 2022 and were selected on the Nigerian Exchange Group (NGX) are the target population of this study. Because all of the panel data from the sampled natural resource corporations is readily available and comprehensive, this study employs the content sampling technique.

Table 2: Definition and Measurement of Variables

Variables	Measures/ Acronyms	Explanation	Measurement
Dependent Variables	Return on Asset (ROA)	The ratio that measures earnings from a business investment before interest and taxes relative to its total net assets.	Net Profit / Total Assets
Independent Variables	Environmental Maintenance Cost (EMC)	The costs and expenses of activities of cleaning up or removal of hazardous materials from the environment.	Natural cost of repair and maintenance
Independent Variables	Environmental Community Cost (ECC)	Community development costs are incurred within and outside the host communities.	Social responsibility encourages
Independent Variables	Environmental Safety Cost (ESC)	These are cost expend in caring for the physical and mental health of the workers that include the cost of securing the environment.	Natural cost of the value health and medical expenses

Source: Researcher's computation, (2024).

3.2 Model Specification

There are a number of factors that can influence environmental accounting costs and financial performance. The factors to be used for analysis in this research study include health safety cost, remediation cost which are categorized as the predictor variable; whereas return on asset is categorized as the criterion variables. However, panel least squares (PLS) method was applied in the analysis. The model used for this study was adapted from Umar et al, (2019) where it was written as:

$$ROA = f(EMC, ECC, ESC) \ldots\ldots\ldots i$$

$$ROA_{it} = \beta_0 + \beta_1 EMC_{it} + \beta_2 ECC_{it} + \beta_3 ECS + \mu_{it} \ldots\ldots\ldots ii$$

Where: ROA is Return on assets

EMC is Environmental maintenance cost

ECC is Environmental community cost

ESC is Environmental safety cost

3.3 Results and Discussion

Table 2: Descriptive Statistics

	ROA	EMC	ECC	ESC
Mean	0.223547	4.500603	3.407680	3.785097
Median	0.071384	4.224286	2.145678	3.727693
Maximum	2.863999	7.032492	6.765890	5.748507
Minimum	0.003965	3.371375	1.870074	2.840516
Std. Dev.	0.397092	1.224747	0.348620	0.335185
Skewness	6.188998	0.676995	6.179463	0.938542
Kurtosis	40.91862	2.201481	3.204857	3.214837
Jarque-Bera	3812.798	6.815622	4.839987	6.222548
Probability	0.256300	0.334811	0.421187	0.246828

Sum	7.566070	334.4314	212.7865	206.7452
Sum Sq. Dev	7.532434	67.51778	32.76531	21.57653
Observations	**150**	**150**	**150**	**150**

Source: Author's Computation, (2024) using E-Views 12.

Included in the table above are the dependent and independent variables of the model's mean, standard deviation, number of observations, minimum, maximum, skewness, and kurtosis**.** It shows the average indicators of variables computed from the Nigeria Stock Exchange (NSE) annual financial report. The independent variables environmental maintenance cost (EMC), environmental community cost (ECC) and environmental safety cost (ESC) reported a mean value 4.500603, 3.407680, and 3.785097 respectively for the time frame investigated. The results disclosed that dependent variable return on asset (ROA) reported a mean value 0.223547. The descriptive statistics also disclosed the standard deviation values of the variables on ROA, EMC, ECC and ESC that reported 0.397092, 1.224747, 0.398620 and 0.735185 respectively. The standard deviation, which measures the deviation of firm data from mean, is 0.397092. This signified that the mean and standard deviation values for all the variables are clear indications that the variables are not constant over time. However, the skewness statistics indicated that all the variables are positively skewed which shows the variables has a long right tail. The results provided by kurtosis, EMC has a platykurtic value, which disclosed that the kurtosis value 2.201481 is less than the average value of 3. Furthermore, the kurtosis value on ECC, ESC and ROA are 40.91862, 3.204857and 3.214837 respectively reported that the variables are higher the kurtosis value of 3 that was clearly mesokurtic. The corresponding probability values of the Jarque-Bera test statistics disclosed that the return on asset (ROA), environmental maintenance cost (EMC), environmental community cost (ECC) and environmental safety cost (ESC) variables are normally distributed at 5% significant level.

3.4 Correlation Statistics

Table 3. Correlation Matrix

	ROA	EMC	ECC	ESC
ROA	1.0000			
EMC	-0.1384	1.000		
	0.3167			
ECC	-0.3618	0.3301	1.000	
	0.0085	0.0360		
ESC	0.0045	0.7843	0.3271	1.000
	0.8703	0.0000	0.0541	

Source: Author's Computation (2024).

Correlation matrix, as presented in Table 3, show that environmental maintenance cost (EMC) and environmental community cost (ECC) are weak and negatively correlated with the ROA of natural resources companies in Nigeria. The implication is that these explanatory variables moved in the opposite direction with return on asset (ROA). However, environmental safety cost (ESC) has a weak positive correlation with return on asset (ROA), indicating that this variable moved in the same direction as ROA. Also in Table 3, there was no presence of multicollinearity among the independent variables, sequel to the fact that the highest relationship among the variables was 78%, which was lower than the threshold of 80%, as pointed out by Gujarati and Dawan in 2015.

Table 4: Estimation of Panel Least Square Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.319169	0.665581	-0.290871	0.6789
EMC	0.126369	0.057176	2.383265	0.1265
ECC	0.04894	0.017978	-2.715748	0.0188
ESC	-0.151369	0.055176	-1.543415	0.0460

Root MSE	10.94778	R-squared	0.619599
Mean dependent var	0.133459	Adjusted R-squared	0.612189
S.D. dependent var	0.380674	S.E. of regression	0.408905
Akaike info criterion	0.674784	Sum squared resid	8.976793
Schwarz criterion	1.252318	Log likelihood	-22.03079
Hannan-Quinn criter.	1.109272	F-statistic	8.761214
Durbin-Watson stat	1.743269	Prob(F-statistic)	0.000000

Source: Author's Computation, (2024). Using EViews 12.

The results in table 3 disclosed the regression coefficient (R2 = 0.619599, Adjusted R2= 0.612189, F-statistic = 8,761214; Durbin-Watson =1.743269). The results of the regression model depicted the variation of the independent variables environmental maintenance cost (EMC), environmental community cost (ECC) and environmental safety cost (ESC) on the dependent variable return on asset (ROA). The Adjusted R2 provides an insight of goodness of fit of the model. This implied that 61% changes in return on asset (ROA) are contributed to changes in EMC, ECC and ESC of natural resources companies in Nigeria. Durbin Watson statistics of 1.7432 shows there is positive autocorrelation or serial correlation between the variables as the coefficient is appropriately is less than 2. The F-statistic and its corresponding probability value (0.0000) disclosed that the regression model satisfies the overall goodness-of-fit statistical test.

3.4 Test of Hypotheses

H_{01}: There is no significant relationship between return on asset and environmental maintenance cost of selected natural resources companies in Nigeria.

H_{02}: There is no significant relationship between return on asset and environmental community cost of selected natural resources companies in Nigeria.

H_{03}: There is no significant relationship between return on asset and environmental safety cost of selected natural resources companies in Nigeria

3.5 Discussion of Findings

H_{01}: There is no significant relationship between return on asset and environmental maintenance cost of selected natural resources companies in Nigeria.

The results in table 3 reported the effect of environmental maintenance cost on return on assets of selected natural resources companies in Nigeria. The coefficient (0.126369) and T statistics (2.383265) disclosed a positive (+) effect. The p-value is 0.1265>5% significant level. Given the above result, the null hypothesis (H_0) is accepted while the alternative hypothesis (H_1) is rejected. This implied that the effect of environmental maintenance cost on return on asset is positive but insignificant.

The finding of this study is in consonance with Adediran and Alade (2018); Muffee (2021); Mayndarto and Agustine (2021), whose research studies demonstrated that environmental maintenance cost has a positive (+) but insignificant effect on return on asset of selected natural resources companies in Nigeria.

H_{02}: There is no significant relationship between return on asset and environmental community cost of selected natural resources companies in Nigeria.

The results in table 3 reported the effect of environmental community cost on return on assets of selected natural resources companies in Nigeria. The coefficient (0.04894) and T statistics (-2.715748) disclosed a negative (-) effect. The p-value 0.0188 <5% significant level. Given the above result, the null hypothesis (H_O) is rejected while the alternative hypothesis (H_1) is accepted. This implied that the effect of environmental community cost on return on asset is positive (+) and significant.

The outcome of this study aligned with the work of Iheduru and Chukwuma (2019), while the studies of Oshiole, Elama and Ndubuisi (2020); Ayu, Gamayuni and Urbanski (2020), whose research discovered that environmental community cost has a positive (+) and significant effect on return on asset of selected natural resources companies in Nigeria.

H_{03}: There is no significant relationship between return on asset and environmental safety cost of selected natural resources companies in Nigeria.

The results in table 3. reported the effect of environmental safety cost on return on asset of selected natural resources companies in Nigeria. The coefficient (-0.151369) and T-statistics (-1.543415) disclosed a negative (-) effect. The p-value of 0.0460 <5% significant level. Given the above result, the null hypothesis (H_o) is rejected while the alternative hypothesis (H_1) is accepted. This implied that the effect of environmental safety cost on return on asset is negative (-) but significant.

The finding of this study is in consensus with Norhasimah (2018); Emmanuel and Glays (2021); Bassey, Sunday and Okon (2018) whose research discovered that environmental safety cost has a negative (-) but insignificant effect on return on asset of selected natural resources in Nigeria.

5.0 Summary, Conclusion and Recommendations

5.1 Summary

The study examined the effect of environmental cost accounting on the financial performance of selected natural resources companies in Nigeria. The focus of the study was employing environmental maintenance cost, environmental community cost and environmental safety cost as proxies to environmental cost accounting and return on asset as proxy to financial performance for a period of 10 years (2014-2023). This study employed both content analysis and ex-post facto research design. The results of the study also support both theoretical and empirical evidence of prior studies that showed general significant positive effect of environmental cost accounting on the financial performance of selected natural resources companies in Nigeria. at 5% level of significance.

5.2 Conclusion

Based on the analysis, and discussion of findings above, the study concluded that although environmental accounting has potential to inform improvement in financial performance, only environmental maintenance cost and environmental community cost have potential for such improvement.

5.3 Recommendations

The study therefore recommends as follows:

i. The study recommended that payment of environmental safety costs should be sustained, as a safe and secure environment enhances the financial performance of natural resource firms in Nigeria.
ii. Environmental maintenance cost and financial performance are positively related. The natural resources companies should be environmentally friendly to enable them gain competitive advantage, high liquidity and reduced environmental cost in the long run.
iii. Environmental laws should be harmonized to form a formidable one that will be easier to understand.
iv. Companies' management should employ youths within the environment in a bid to mitigate incessant restiveness between the companies and the host communities.
v. Trust Fund Trustees should be constituted that will handle community development costs, for fairness and accountability.

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EFFECT OF PEACE ACCOUNTING PRACTICES ON DEFENCE MECHANISM IN NIGERIA

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ABSTRACT

The study of peace accounting in contemporary Nigerian societies is of paramount importance due to the pervasive and multifaceted nature of conflicts and security challenges facing the country. The study examined the effect of peace accounting practices on defense mechanism in Nigeria. It further investigated the applicability of peace accounting principles in assessing peace-building initiatives in contemporary Nigerian societies. The study employed desk-review research method through the case studies and examples where peace accounting principles were applied in Nigerian Defense. In conclusion, fostering sustainable peace and security in Nigeria requires innovative approaches that integrate peace accounting principles into defense mechanisms. The study recommended that Nigeria should invest in improving data collection systems and infrastructure to ensure the availability, accuracy, and reliability of data relevant to defense activities. In addition, Nigeria should prioritize capacity building initiatives to enhance the skills, expertise, and technical capabilities of institutions responsible for defense planning and evaluation.

Keywords: Peace Accounting, Peace-building, Defense Mechanisms, Peace and Security.

Introduction

The concept of peace accounting and its intersection with defense mechanisms represents a critical area of inquiry in contemporary discourse on peace, security, and conflict resolution. Peace accounting, often described as the systematic measurement and evaluation of peace-related activities and their impact, provides a framework for assessing the effectiveness of efforts aimed at promoting and sustaining peace within a given context (Sarkis et al., 2020). In contrast, defense mechanisms encompass a range of strategies and capabilities employed by states to protect their sovereignty, territorial integrity, and national interests, particularly in the face of internal and external threats (Fitzpatrick & Kelleher, 2019).

Peace accounting emerged as a response to the need for more robust methodologies to assess the outcomes and efficacy of peace-building interventions, encompassing various dimensions such as conflict prevention, peacekeeping, peacemaking, and post-conflict reconstruction (Bauer & Brauer, 2017). The concept emphasizes the importance of data-driven analysis and evidence-based decision-making in understanding the dynamics of peace and conflict, enabling stakeholders to allocate resources more efficiently and address underlying drivers of violence and instability (UNDP, 2021). By systematically documenting and evaluating peace-related activities, peace accounting seeks to enhance transparency, accountability, and learning within the peacebuilding field, facilitating the identification of best practices and lessons learned (Berdal & Ucko, 2019).

In the context of defense mechanisms, states employ a range of strategies, institutions, and capabilities to safeguard their security and protect against external threats, internal unrest, and other challenges to stability (Fitzpatrick & Kelleher, 2019). These mechanisms encompass military preparedness, intelligence gathering, law enforcement, border security, and diplomatic initiatives, among others, aimed at deterring aggression, managing conflicts, and preserving peace (Cohen, 2021). Effective defense mechanisms are essential for maintaining national sovereignty, upholding rule of law, and safeguarding the welfare of citizens, particularly in regions prone to conflict and insecurity (Siddiqa, 2018).

The intersection of peace accounting and defense mechanism represents a convergence of efforts to promote peace, security, and stability within a given context. While peace accounting focuses on assessing the impact and effectiveness of peace-building initiatives, defense mechanisms play a critical role in providing the necessary security infrastructure to enable sustainable peace (Bauer & Brauer, 2017). By integrating peace accounting principles into defense planning and decision-making processes, states can enhance their capacity to address root causes of conflict, mitigate risks, and foster conditions conducive to lasting peace (UNDP, 2021). Moreover, adopting a comprehensive approach that combines data-driven peace accounting methodologies with robust defense mechanisms can facilitate more holistic and sustainable responses to complex security challenges (Berdal & Ucko, 2019).

Rationale for the Study

The study of peace accounting in contemporary Nigerian societies is of paramount importance due to the pervasive and multifaceted nature of conflicts and security challenges facing the country. Nigeria, with its diverse ethnicities, religions, and socio-economic disparities, grapples with a myriad of conflicts ranging from inter-communal clashes to terrorism and insurgency. The rationale for examining peace accounting in this context stems from the urgent need to address these challenges effectively, enhance conflict resolution mechanisms, and promote sustainable peace and development.

Firstly, Nigeria's history is marked by recurring cycles of violence, often fueled by ethnic, religious, and political tensions. The country has experienced numerous ethno-religious conflicts, such as the Jos crisis and the clashes between herders and farmers, which have resulted in loss of lives, displacement, and economic devastation. Understanding the underlying causes and dynamics of these conflicts through the lens of peace accounting is crucial for developing targeted interventions and strategies to prevent recurrence.

Secondly, the security landscape in Nigeria is further complicated by the presence of insurgent groups like Boko Haram in the Northeast and banditry in the Northwest, posing significant threats to national security and stability. The insurgency has led to widespread displacement, humanitarian crises, and the erosion of social cohesion in affected regions. By applying peace accounting principles, policymakers and practitioners can assess the effectiveness of counterinsurgency measures, identify gaps in security governance, and devise more coordinated responses to address these challenges.

Moreover, Nigeria's socio-economic realities exacerbate conflict vulnerabilities and complicate efforts to build peace. High levels of poverty, unemployment, and inequality contribute to social unrest and exacerbate grievances that fuel conflicts. Additionally, issues such as corruption, weak governance, and lack of access to justice undermine trust in state institutions and hinder conflict resolution mechanisms. Through peace accounting, researchers and policymakers can evaluate the impact of socio-economic factors on peace and security, inform poverty reduction strategies, and strengthen governance systems to foster social inclusion and equity.

Furthermore, Nigeria's diversity presents both opportunities and challenges for peacebuilding efforts. The country's federal structure allows for decentralized governance and localized approaches to conflict resolution, yet it also exacerbates identity-based tensions and competition for resources. Peace accounting can help map the dynamics of identity-based conflicts, track intergroup relations, and support community-based initiatives that promote dialogue, reconciliation, and social cohesion. In light of these social realities, empirical evidence from the Nigerian context underscores the relevance and urgency of studying peace accounting. Research by scholars like Yusuf and Bako (2019) on conflict resolution mechanisms in Nigeria or Obi (2017) on the impact of resource competition on conflicts in the Niger Delta provides valuable insights into the drivers and dynamics of conflicts in the country. Additionally, initiatives such as the National Peace Index developed by organizations like the Institute for Peace and Conflict Resolution offer practical tools for measuring peace and assessing progress in conflict resolution efforts.

In a nut shell, the rationale for studying peace accounting in contemporary Nigerian societies is grounded in the need to address the complex and persistent conflicts that threaten the country's peace, stability, and development. By examining social realities and drawing on empirical evidence from the Nigerian context, researchers and practitioners can develop context-specific interventions, inform policy decisions, and contribute to building a more peaceful and resilient society.

Objectives of Study

The main objective of this study is to examine the effect of peace accounting on defense mechanism in Nigeria. The specific objectives are stated below;

1. To examine the applicability of peace accounting principles in assessing peace-building initiatives in contemporary Nigerian societies.
2. To identify the key challenges and opportunities associated with implementing peace accounting frameworks in the Nigerian context.
3. To develop recommendations for enhancing the integration of peace accounting practices into peace-building strategies and policies in Nigeria.

The Concept of Peace and Security: A global overview

The concept of peace and security is multifaceted, encompassing various dimensions and complexities that shape the global landscape. Peace, often defined not merely as the absence of war but as the presence of justice, equality, and harmony within societies, stands as a fundamental aspiration for humanity. Security, on the other hand, extends beyond military defense to encompass economic, environmental, and human security, reflecting the interconnectedness of various threats and vulnerabilities. Scholars like Galtung (1969) and Buzan (1991) have provided theoretical frameworks for understanding these concepts, highlighting the intricate relationship between peace and security. Examining global trends in peace and conflict reveals a dynamic landscape characterized by shifting patterns of violence and cooperation. Empirical data from reputable sources such as the Global Peace Index (Institute for Economics and Peace) or the Uppsala Conflict Data Program offer insights into the prevalence and distribution of armed conflict, terrorism, and other forms of violence, illustrating the complex nature of contemporary security challenges.

International organizations, notably the United Nations, play a pivotal role in promoting peace and security through various mechanisms, including peacekeeping operations, conflict prevention efforts, and diplomatic initiatives. Studies by Weiss and Daws (2015) or Luck (2008) shed light on the evolving role of international organizations in managing conflicts and fostering dialogue among nations. Additionally, regional dynamics significantly influence peace and security outcomes, with organizations like the African Union, NATO, and the European Union contributing to stability through regional cooperation and conflict resolution mechanisms. Case studies and empirical research on regional peacebuilding efforts provide valuable insights into the effectiveness of such initiatives and the challenges they face in addressing complex security threats.

Understanding the root causes of conflict is essential for effective peacebuilding and conflict resolution. Empirical findings from studies by Collier and Hoeffler (2004) on the economic drivers of civil war or Fearon and Laitin (2003) on the role of ethnicity in conflict highlight the diverse factors contributing to instability, including poverty, inequality, governance failures, and identity politics. Peacebuilding and conflict resolution efforts often require comprehensive strategies that address these underlying drivers while promoting inclusive governance, social cohesion, and economic development. Studies on peacebuilding in post-conflict societies, such as Bosnia and Herzegovina or Rwanda, offer valuable insights into the challenges and successes of such endeavors.

The intersection between peace, security, and development underscores the importance of holistic approaches to addressing global challenges. Investments in education, healthcare, and economic development not only contribute to long-term peace and stability but also enhance resilience to conflict and violence. Empirical research from organizations like the World Bank or the United Nations Development Programme demonstrates the positive correlation between development outcomes and peacebuilding efforts, emphasizing the need for integrated approaches to peace and security.

Despite progress in peace and security efforts, numerous challenges persist, ranging from the rise of non-state actors and transnational threats to the adverse impacts of climate change and technological advancements in warfare. Future directions for research and policy must grapple with these emerging challenges while exploring innovative approaches to conflict prevention and resolution. By integrating logical illustrations, empirical findings, and insights from relevant studies into a comprehensive analysis, we gain a deeper understanding of the complexities surrounding the concept of peace and security on a global scale.

Peace and Security Challenges in Nigeria

In examining the historical context of peace and security challenges in Nigeria, it is imperative to delve into the nation's complex socio-political landscape, characterized by diverse ethnicities, religious affiliations, and regional disparities. Nigeria's journey since independence in 1960 has been marked by periods of relative stability juxtaposed with episodes of violent conflict, insurgency, and communal tensions (Ogunolaike

, 2021). The post-colonial era witnessed significant challenges stemming from the legacy of colonialism, including ethnic rivalries exacerbated by arbitrary colonial boundaries and struggles for political power (Ogundari & Awokuse, 2018).

One of the seminal events shaping Nigeria's security landscape was the Biafran War (1967-1970), also known as the Nigerian Civil War, which erupted following secessionist aspirations in the southeastern region of the country. The conflict resulted in widespread devastation and loss of life, underscoring the fragility of Nigeria's unity and the deep-seated grievances among its diverse ethnic groups (Ike, Singh, Jidong, Murphy, & Ayobi, 2021). Although the war ended with the reintegration of the breakaway region into Nigeria, it left a legacy of mistrust, marginalization, and unresolved issues that continue to fuel tensions in the country (Nnorom et al., 2020).

In subsequent decades, Nigeria grappled with various security challenges, including ethno-religious conflicts, militancy in the Niger Delta region, and the rise of insurgent groups such as Boko Haram in the northeast (Isioma & Njideka, 2018). The persistence of these conflicts reflects underlying issues of socio-economic inequality, governance failures, and ineffective institutions (Ogunola et al., 2021). Moreover, factors such as youth unemployment, resource competition, and weak state capacity have exacerbated tensions and provided fertile ground for violent extremism to thrive (Owoyemi, 2020).

The emergence of Boko Haram as a formidable insurgency group in the early 2000s further compounded Nigeria's security woes, leading to widespread insecurity, displacement, and humanitarian crises (Ike et al., 2021). The group's violent campaign against the Nigerian state, characterized by bombings, kidnappings, and attacks on civilians, underscored the state's inability to provide security and effectively counter asymmetric threats (Oladapo et al., 2021).

In recent years, Nigeria has also grappled with escalating farmer-herder conflicts, fueled by competition over land, water resources, and socio-economic grievances (Akpan & Ikpe, 2020). These conflicts, often exacerbated by ethno-religious tensions and criminal activities, have claimed thousands of lives and displaced millions of people, posing a significant challenge to peacebuilding and social cohesion (Ike et al., 2021). Hence, Nigeria's history of peace and security challenges is deeply intertwined with its socio-political dynamics, historical legacies, and contemporary realities. Addressing these challenges requires a multifaceted approach that addresses the root causes of conflict, promotes inclusive governance, and fosters socio-economic development (Nnorom et al., 2020). Moreover, it necessitates a commitment to dialogue, reconciliation, and the rule of law to build a more peaceful and prosperous future for all Nigerians (Ogundari & Awokuse, 2018).

Understanding Peace Accounting: Concepts and Frameworks

Understanding peace accounting involves delving into the conceptual foundations and frameworks that underpin the systematic measurement and evaluation of peace-related activities and their impact. Peace accounting has emerged as a critical tool for assessing the effectiveness of peacebuilding interventions, informing policy decisions, and promoting transparency and accountability in conflict-affected contexts (Bauer & Brauer, 2017).

At its core, peace accounting seeks to provide a comprehensive understanding of the dynamics of peace and conflict by quantifying and analyzing various peacebuilding efforts and their outcomes (Sarkis et al., 2020). This involves not only tracking tangible indicators such as the number of peace agreements signed or the reduction in violent incidents but also capturing intangible factors such as changes in social cohesion, trust-building, and the perception of security among affected populations (Berdal & Ucko, 2019).

Several conceptual frameworks have been developed to guide peace accounting efforts, each emphasizing different dimensions of peace and conflict and offering distinct methodologies for assessment. For example, the Conflict Transformation Framework proposed by Lederach

(1997) highlights the importance of addressing the root causes of conflict and building sustainable peace through constructive engagement, dialogue, and reconciliation. This framework underscores the need to move beyond mere cessation of violence towards addressing underlying grievances and building inclusive and resilient societies (Bauer & Brauer, 2017).

Another influential framework is the Positive Peace model developed by the Institute for Economics and Peace (IEP), which identifies eight pillars of peace, including well-functioning government, sound business environment, and equitable distribution of resources (IEP, 2020). This holistic approach recognizes that peace is not merely the absence of violence but encompasses a range of social, economic, and political factors that contribute to societal resilience and stability (Sarkis et al., 2020).

In practice, peace accounting entails the collection, analysis, and interpretation of data on various peacebuilding activities and their impact on conflict dynamics and the well-being of affected populations (UNDP, 2021). This may involve conducting surveys, interviews, and focus group discussions with stakeholders, as well as utilizing quantitative indicators to track progress over time (Bauer & Brauer, 2017).

Moreover, peace accounting efforts often involve collaboration between local communities, civil society organizations, government agencies, and international partners to ensure the relevance, accuracy, and integrity of the data collected (Berdal & Ucko, 2019). By adopting a participatory and inclusive approach, peace accounting initiatives can generate insights that reflect the perspectives and priorities of diverse stakeholders, thereby enhancing the relevance and legitimacy of the findings (Sarkis et al., 2020). Nonetheless, understanding peace accounting requires familiarity with its conceptual underpinnings, methodological approaches, and practical applications in conflict-affected contexts. By systematically documenting and evaluating peace-related activities, peace accounting contributes to evidence-based decision-making, fosters learning and innovation, and ultimately supports efforts to build and sustain peace in fragile and conflict-affected settings (UNDP, 2021).

The Role of Defense Mechanisms in Promoting Peace

The role of defense mechanisms in promoting peace is multifaceted, encompassing a range of strategies and capabilities aimed at deterring aggression, managing conflicts, and safeguarding national security. Defense mechanisms play a crucial role in maintaining stability and preventing the outbreak of armed conflict, thereby contributing to peace both domestically and internationally (Cohen, 2021).

At the national level, defense mechanisms are instrumental in protecting the sovereignty, territorial integrity, and interests of a state against external threats. This involves maintaining a strong military force capable of defending against potential adversaries and preserving the nation's security (Siddiqa, 2018). Additionally, defense mechanisms often include intelligence gathering, surveillance, and counterterrorism measures aimed at preempting security threats before they escalate into violence (Fitzpatrick & Kelleher, 2019).

Moreover, defense mechanisms serve as a deterrent against aggression by signaling to potential adversaries that any hostile actions will be met with a swift and decisive response. This deterrence effect is essential for preventing conflicts from erupting and maintaining stability in regions prone to tensions or disputes (Siddiqa, 2018). By demonstrating a credible ability and willingness to defend their interests, states can discourage aggression and coercion, thereby reducing the likelihood of armed conflict (Cohen, 2021).

Furthermore, defense mechanisms contribute to peace by providing security and stability within a state, thereby creating an enabling environment for social, economic, and political development. A secure and stable environment fosters trust, confidence, and cooperation among citizens, facilitates investment and growth, and enhances the overall well-being of society (Fitzpatrick & Kelleher, 2019). In this sense, defense mechanisms play a foundational role in maintaining the rule of law, upholding human rights, and preserving democratic governance, all of which are essential for sustainable peace (Siddiqa, 2018).

Internationally, defense mechanisms can also contribute to peace by promoting collective security and cooperation among states. Through mechanisms such as mutual defense alliances, peacekeeping operations, and arms control agreements, states collaborate to address common security challenges and prevent conflicts from spreading across borders (Cohen, 2021). Additionally, diplomatic initiatives and confidence-building measures can help build trust and reduce tensions between states, thereby contributing to regional stability and peace (Siddiqa, 2018). In addition, the role of defense mechanisms in promoting peace is multifaceted and essential for maintaining stability and security at both the national and international levels. By deterring aggression, providing security, and fostering cooperation among states, defense mechanisms contribute to the prevention of armed conflict and the preservation of peace in an increasingly complex and interconnected world (Fitzpatrick & Kelleher, 2019).

Implications of Peace Accounting on Nigeria's Defense Strategy

The implications of peace accounting on Nigeria's defense strategy are profound and multifaceted, as they involve the systematic measurement, evaluation, and optimization of peace-related activities within the country's broader security framework. Peace accounting offers a structured approach to assessing the effectiveness of Nigeria's defense mechanisms in promoting peace and stability, thereby informing strategic decision-making and resource allocation in the defense sector (Bauer & Brauer, 2017).

One significant implication of integrating peace accounting into Nigeria's defense strategy is the enhanced ability to assess the impact of defense expenditures and initiatives on peacebuilding outcomes. By systematically tracking and analyzing defense spending, resource allocation, and operational effectiveness, policymakers can identify areas of strength and weakness in Nigeria's defense posture, enabling more informed decisions about resource allocation and strategic priorities (Berdal & Ucko, 2019).

Moreover, peace accounting can help Nigeria identify the root causes of conflict and instability within its borders, thereby informing the development of more targeted and effective defense strategies. By analyzing data on conflict dynamics, social grievances, and underlying drivers of violence, policymakers can tailor defense interventions to address the specific challenges facing different regions or communities, thereby reducing the risk of conflict recurrence (UNDP, 2021).

Additionally, peace accounting can enhance transparency, accountability, and oversight within Nigeria's defense sector, thereby reducing the risk of corruption, mismanagement, and human rights abuses. By promoting greater transparency in defense budgeting, procurement, and operations, Nigeria can build public trust and confidence in its defense institutions, thereby strengthening the legitimacy and effectiveness of its defense strategy (Sarkis et al., 2020).

Furthermore, integrating peace accounting into Nigeria's defense strategy can facilitate greater coordination and cooperation among different stakeholders involved in peacebuilding efforts. By providing a common framework for measuring and evaluating peace-related activities, peace accounting can enhance coordination between the military, law enforcement agencies, civil society organizations, and international partners, thereby maximizing the impact of Nigeria's defense efforts (Bauer & Brauer, 2017). Overall, the implications of peace accounting on Nigeria's defense strategy are far-reaching and transformative, offering the potential to enhance the effectiveness, efficiency, and accountability of Nigeria's defense sector in promoting peace and stability. By systematically measuring, evaluating, and optimizing peace-related activities, Nigeria can strengthen its defense posture, address the root causes of conflict, and contribute to a more peaceful and prosperous future for its citizens (Berdal & Ucko, 2019).

Case Studies and Examples: Applying Peace Accounting Principles in Nigerian Defense

Applying peace accounting principles in Nigerian defense involves implementing systematic methodologies to assess the impact of defense activities on peacebuilding outcomes. Several case studies and examples illustrate how peace accounting principles can be applied to enhance Nigeria's defense strategy and promote peace and stability within the country.

One example of applying peace accounting in Nigerian defense is the systematic evaluation of military operations aimed at addressing internal security challenges, such as insurgency and terrorism. By analyzing data on the effectiveness of military interventions, including casualty rates, territorial control, and civilian protection measures, policymakers can assess the impact of defense activities on reducing violence and promoting stability in conflict-affected areas (Bauer & Brauer, 2017).

Another case study involves the monitoring and evaluation of defense sector reform initiatives aimed at improving the professionalism, accountability, and effectiveness of Nigeria's armed forces. By tracking progress on key indicators, such as human rights training, civilian oversight mechanisms, and adherence to international humanitarian law, policymakers can assess the extent to which defense reforms contribute to broader peacebuilding objectives (UNDP, 2021).

Additionally, peace accounting principles can be applied to assess the impact of defense spending on peacebuilding outcomes in Nigeria. By analyzing defense budgets and expenditures, policymakers can evaluate the allocation of resources to priority areas such as conflict prevention, disarmament, dem Galtung lization, and reintegration (DDR), and community-based security initiatives. This analysis can help identify opportunities to reallocate resources towards more effective peacebuilding interventions, thereby maximizing the impact of defense investments on promoting peace and stability (Sarkis et al., 2020).

Furthermore, peace accounting principles can inform the design and implementation of integrated approaches to security sector reform in Nigeria. By coordinating efforts across different defense and security institutions, as well as with civil society organizations and international partners, Nigeria can strengthen its capacity to address the root causes of conflict, build trust and confidence among diverse stakeholders, and promote sustainable peace and stability (Bauer & Brauer, 2017).

Overall, these case studies and examples demonstrate the practical application of peace accounting principles in Nigerian defense, highlighting the potential for data-driven analysis and evidence-based decision-making to enhance the effectiveness, efficiency, and accountability of defense activities in promoting peace and stability. By systematically measuring, evaluating, and optimizing defense interventions, Nigeria can strengthen its defense posture and contribute to lasting peace and prosperity for its citizens (Berdal & Ucko, 2019).

Theoretical Review

The Survival-Based Theory

The concept of survival-based theory or some might call it as “survival of the fittest’ theory was originally developed by Herbert Spencer (Miesing & Preble, 1985). It was him who synthesized Darwin’s theory of evolution and natural selection with Adam Smith’s invisible hands to come up with the idea of Social Darwinism. This theory, which was quite popular during the late 19th and early 20th century, emphasized that by following the principle of nature, only the best and the fittest of competitors would win, which in the end would lead to the improvement of the social community as a whole. Social Darwinism assumed it is normal for the competition to behave in hedonistic ways to produce the fittest business, who survived and prospered by successfully adapting to its environment or become the most efficient and economic producer of all. Hence, ruthless business rivalry and unprincipled politics is acceptable under this assumption.

The application of this theory in the field of corporate turnaround was also quite straight forward. An ailing company usually faces many problems simultaneously, such as financial difficulties, failing products, losing key personnel, security threat and many others. These were actually just signs that the company was not running efficiently. Turning around company usually characterized with under-performing sales and under-capacity in terms of factory output and overwhelming size in human resource department. These characteristics of inefficient organization could explain why such turning around companies usually lay off its workers, repositioning their products and selling off its under-capacity assets in order to strengthening their condition. It is actually the primary objective of such turning around company to make the organization run efficiently in order to better adapt to the environment, improving its profitability and to achieve the ultimate goal of surviving the competitive market in which it operates. As survival-based theory argued, if it is not adapting to the ever-changing environment and become efficient in it, it simply will not survive. Thus, the one that really successfully turned-around is the one that operates efficiently and adapting successfully to its environment.

Therefore, the survival of companies and their targeted customers depends on growing economy which serves as a remedy to financial difficulties, failing products, loosing of useful personnel due to lack of funding and particularly assurance of surefooted defense against internal and external terrorisms which may cause loss of lives, properties and even deter prospective investors or external investors from contributing to the growth of Nigerian economy.

Empirical Review

Justino (2012) theoretically described how the correlation between economic marginalization, disparity, conflict and violence influences the goal of instituting shared societies. The study identified two institutional frameworks for understanding the correlation between conflict and shared societies. First, the change triggered by armed conflict on social relations, norms of trust and collaboration; second, the control exerted by informal intermediaries, informal service providers and informal systems of governance regulated habitually by non-state armed players emerging from the course of violence. These forms of institutional frameworks are fundamental to understanding how nations can limit the use of violence towards ensuring national security.

Hoeffler, Fearson (2015) investigated the benefits and costs of the conflict and violence targets for the post-2015 development agenda. Several forms of violence that may threaten national security, costs and GDP were identified to include collective violence ($167.19) as a cost in percent of world GDP 19% interpersonal violence ($1,245.27: 1.44%), homicides ($700.5: 0.82%), child abuse ($3,594: 4.21%), reported child sexual violence ($36.8: 0.043%), intimate partner violence ($4,423: 5.18%) and reported sexual violence against women ($66.7: 0.078%).

Mercy (2014) study on economic costs of conflict and the benefit of peace in relation to farmer pastoralist conflict in Nigeria's middle belt on state, sector and national economies found that Nigeria stands to get about US $13.7billion yearly in aggregate macroeconomic growth in situation of peace between farmers and pastoralists in specific areas such as Benue, Kaduna, Nasarawa and Plateau and states distressed by farmer-pastoralist conflicts suffer a loss of 47% of taxes on an average. Also, the findings indicated that Plateau suffer an estimated loss of 75% of probable state revenue, Kaduna 22%, Nasarawa 45% and Benue 44%. The overall findings hint that trade is the hardest hit by farmer-pastoralist conflict in the Middle Belt and Nigeria's economy. Concluding the review of empirical studies, we found that there is no evidence on cost of peace accounting and national security in Nigeria, this forms the thrust of this paper.

Methodology

For the purpose of this research work, the study made use of desk review research. This type of research is a type of research that is based on the material published in reports and similar documents that are available in public libraries, websites, data obtained from surveys already carried out, etc. Some organizations also store data that can be used for research purposes. The researcher gathered information from reports of reputable Newspapers in Nigeria, past scholars who have written on the subject matter, publications, textbooks and from websites of duly regulated in Nigeria.

Findings and Discussion

Implementing peace accounting measures in the context of defense strategies in Nigeria presents the following findings:

Data Availability and Quality: One of the primary challenges is the availability and quality of data needed for peace accounting. In Nigeria, data collection systems may be fragmented, incomplete, or outdated, making it difficult to obtain accurate information on defense activities and their impact on peace and security outcomes (UNDP, 2021).

Institutional Capacity: Building institutional capacity to conduct peace accounting requires investment in training, technology, and resources. In Nigeria, institutions responsible for defense planning and evaluation may lack the expertise and infrastructure needed to collect, analyze, and interpret data effectively (Bauer & Brauer, 2017).

Political Will and Leadership: Implementing peace accounting measures requires political will and leadership to prioritize data-driven decision-making and transparency. In Nigeria, political dynamics and vested interests may hinder efforts to adopt a more evidence-based approach to defense planning and evaluation (Sarkis et al., 2020).

Coordination and Collaboration: Effective peace accounting requires coordination and collaboration among various stakeholders, including government agencies, civil society organizations, and international partners. In Nigeria, challenges in coordination and collaboration may arise due to competing priorities, institutional rivalries, and communication barriers (Berdal & Ucko, 2019).

The findings further explained that the following factors can aid in abolishing the above listed problems discovered in the course of the study:

Technology and Innovation: Advances in technology, such as data analytics, remote sensing, and geographic information systems (GIS), present opportunities to enhance data collection, analysis, and visualization for peace accounting purposes. In Nigeria, leveraging technology can improve the accuracy, timeliness, and accessibility of information on defense activities and their impact on peace and security (Siddiqa, 2018).

Capacity Building: Investing in capacity building initiatives can strengthen the ability of Nigerian institutions to conduct peace accounting effectively. By providing training, technical assistance, and resources, Nigeria can empower defense planners, analysts, and policymakers to utilize data-driven approaches in decision-making processes (Fitzpatrick & Kelleher, 2019).

Transparency and Accountability: Implementing peace accounting measures can promote transparency and accountability in defense activities, enhancing public trust and confidence in government institutions. By making data on defense spending, operations, and outcomes publicly available, Nigeria can foster greater accountability and oversight (Cohen, 2021).

International Cooperation: Nigeria can leverage international cooperation and partnerships to support peace accounting initiatives. Collaborating with regional organizations, such as the African Union and the Economic Community of West African States (ECOWAS), as well as with bilateral and multilateral donors, can provide technical expertise, financial support, and best practices for implementing peace accounting measures (Bauer & Brauer, 2017).

Conclusion

Fostering sustainable peace and security in Nigeria requires innovative approaches that integrate peace accounting principles into defense mechanisms. By systematically measuring and evaluating peace-related activities and their impact, Nigeria can enhance transparency, accountability, and effectiveness in defense planning and decision-making processes. Strengthening data infrastructure, building institutional capacity, fostering interagency collaboration, promoting transparency and accountability, leveraging technology and innovation, and engaging in international cooperation are essential steps toward enhancing Nigeria's defense mechanisms through peace accounting. These measures will not only improve the efficiency and efficacy of defense activities but also contribute to sustainable peace, security, and stability in the region. By embracing innovative approaches and harnessing the power of peace accounting, Nigeria can pave the way for a more peaceful and prosperous future for its citizens and the broader community.

Recommendations for Enhancing Nigeria's Defense Mechanisms through Peace Accounting

Enhancing Nigeria's defense mechanisms through peace accounting requires a comprehensive approach that addresses key challenges and capitalizes on existing opportunities. Here are some recommendations:

1. **Strengthen Data Infrastructure**: Nigeria should invest in improving data collection systems and infrastructure to ensure the availability, accuracy, and reliability of data relevant to defense activities. This includes enhancing data collection mechanisms, establishing standardized reporting protocols, and modernizing information management systems to facilitate data sharing and analysis (Bauer & Brauer, 2017).
2. **Build Institutional Capacity**: Nigeria should prioritize capacity building initiatives to enhance the skills, expertise, and technical capabilities of institutions responsible for defense planning and evaluation. This involves providing training programs, workshops, and technical assistance to defense personnel, analysts, and policymakers on peace accounting methodologies, data analysis techniques, and technology utilization (Fitzpatrick & Kelleher, 2019).
3. **Foster Interagency Collaboration**: Nigeria should promote greater coordination and collaboration among government agencies, civil society organizations, and international partners involved in defense planning and evaluation. This includes establishing interagency working groups, task forces, and partnerships to facilitate information sharing, joint planning, and collective decision-making processes (Berdal & Ucko, 2019).
4. **Promote Transparency and Accountability**: Nigeria should prioritize transparency and accountability in defense activities by enhancing public access to information, promoting open dialogue, and fostering a culture of accountability within defense institutions. This involves publishing comprehensive reports on defense spending, operations, and outcomes, as well as establishing mechanisms for public oversight and scrutiny (Cohen, 2021).
5. **Leverage Technology and Innovation**: Nigeria should leverage advances in technology, such as data analytics, artificial intelligence, and remote sensing, to enhance peace accounting capabilities and improve decision-making processes. This includes investing in technology infrastructure, adopting innovative tools and platforms for data collection and analysis, and utilizing satellite imagery and geospatial data for monitoring and evaluation purposes (Siddiqa, 2018).
6. **Engage in International Cooperation**: Nigeria should actively engage in international cooperation and partnerships to leverage external expertise, resources, and best practices in peace accounting and defense planning. This involves collaborating with regional organizations, such as the African Union and ECOWAS, as well as with bilateral and multilateral donors, to access technical assistance, funding support, and capacity building initiatives (Bauer & Brauer, 2017).

By implementing these recommendations, Nigeria can enhance its defense mechanisms through peace accounting, improve decision-making processes, and ultimately contribute to sustainable peace, security, and stability in the region (UNDP, 2021).

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REDUCTION OF UNEMPLOYMENT THROUGH ENTREPRENEURSHIP DEVELOPMENT IN OGUN STATE, NIGERIA

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Abstract

This study examines the reduction of unemployment through entrepreneurship development on poverty reduction. Three hypotheses were tested and survey research design was adopted with population of two hundred and twenty, sample size of sixty-four and questionnaire was used as the main instrument. Method of data collection is primary data was used and survey method, regression analysis formulae is considered suitable to analyzed the data. The results of the finding reveal that entrepreneurship and employment creation is a key prerequisite for a country's socio-economic and political transformation. The study also reveals that small and medium scale enterprises as a measure of entrepreneurship should be allowed and flexible for people with little capital can start up their own business without being disturbed or pursued which we reduce the rate of crime and other forms. The study recommended that: government should put in place a conducive business environment for the day-to-day activities of business also, government should put in place adequate research funds, improve their skills and boost the quality of education for the business owners for better qualification, competencies and experiences to perform the task

***Keywords*:** Unemployment, Development, Entrepreneurship, Innovation, Vocational skill

1.1 Introduction

According to the Economic Community of West African States (ECOWAS 2018), unemployment in the region was at a high rate and this is ravaging the youth. However, there is a move by ECOWAS to promote and create job opportunities, skills acquisition and decent employment for youth. Unemployment is a major 12 challenge facing the Nigerian economy. According to the National Bureau of Statistics (NBS), the unemployment rate in Nigeria stood at 33.3% in the fourth quarter of 2020, with youth unemployment at 42.5%. Enu-Kwesi, (2021) stated that the high level of unemployment in Nigeria has been attributed to various factors, including a slow rate of economic growth, limited job opportunities in the formal sector, and a lack of skills among job seekers. In recent years, entrepreneurship development has been identified as a potential solution to the unemployment problem in Nigeria. Stam, (2021) asserted that entrepreneurs are ambitious persons that explore avenues to discover new products and services to exploit and for addition of value.

As stated by Ibrahim and Masud (2021) entrepreneurs are jack of all trade. Meanwhile, Habib et al., (2022) defined entrepreneurship as the identification of a new business opportunities and the mobilization of economic resources to initiate a new business or regenerate an existing business, under the conditions of risk and uncertainties for the purpose of making progress under private ownership According to Umar & Ibrahim (2018) entrepreneurship is the identification of opportunities, allocation of resources for the creation of value and this is done through the identification of needs or opportunities that are unmet; this serves as an avenue for change.

Baa (2022); Hoffman (2020) see entrepreneurship as the function of being creative and responsive within and to the environment. Adeleke (2023) describe entrepreneurship as the willingness and ability of an individual to seek out investments opportunities and take advantage of scarce resources to exploit the opportunities profitably. Entrepreneurship development refers to the process of creating and supporting new businesses or ventures (Hasan, Khan, & Nabi, 2017). This process involves identifying opportunities, developing business ideas, and acquiring the necessary skills and resources to start and grow a successful business. Entrepreneurship development can take many forms, including business incubation programs, training and education, access to financing, and mentorship (Sigala, 2023). Entrepreneurship development has been identified as a key driver of economic growth and job creation in many countries (Sagar et al., 2023).

According to Rietveld and Patel, (2023) Global Entrepreneurship Monitor (GEM) report, countries with high levels of entrepreneurship tend to have lower unemployment rates. This is because entrepreneurship creates new businesses and jobs, and also promotes innovation and competitiveness in the economy. Nigeria has a large informal sector, which accounts for a significant proportion of the country's economic activity. However, most of these informal businesses are small-scale and operate in the subsistence sector. There is a need to promote the development of small and medium-sized enterprises (SMEs) in Nigeria, which have the potential to create jobs and contribute to economic growth. The Nigerian government has recognized the importance of entrepreneurship development in reducing unemployment and promoting economic growth.

In 2013, the government launched the Youth Entrepreneurship Support (YES) program, which provides training, mentorship, and access to financing for young entrepreneurs. The program has been successful in supporting the development of new businesses and creating job opportunities for young people (Adekiya & Ibrahim 2016). In addition to government programs, there are also many private sector initiatives aimed at promoting entrepreneurship in Nigeria. For example, the Tony Elumelu Foundation Entrepreneurship Program provides training, mentorship, and seed funding to African entrepreneurs, including those in Nigeria. Other private sector initiatives include the Lagos

Angel Network, which provides early-stage funding to startups, and the Creation Hub, which provides incubation and mentorship to tech startups.

1.2 Statement of the Problem

Entrepreneurship has long been seen as a crucial driver of employment generation, poverty reduction, and technological advancement in Nigeria. However, despite this recognition, the sector has been neglected due to the Nigerian government's over-reliance on crude oil. This over-reliance on crude oil has led to a number of economic challenges, including open unemployment, underemployment, and high poverty rates (Adebayo & Adebayo, 2018). The problem of unemployment in Nigeria has persisted for decades, despite various policy measures and support initiatives.

The country's unemployment challenges are characterized by a mismatch between job creation expectations and opportunities for the growing pool of educated unemployed and underemployed individuals. The unemployment problem has led to a number of important and challenging policy questions that require robust and sound policies to address (Anyanwu & Aigbokhan, 2016). The recent fall in oil prices has exacerbated the unemployment problem in Nigeria, leading to exchange rate volatility, savings stagnation, debt increase, capital expenditure threat, and rising unemployment rates. Unemployed graduates are increasingly turning to entrepreneurship, particularly vocational enterprises and small and medium scale enterprises (SMEs), to address the persistent problem of unemployment and poverty. However, these efforts are often hindered by a number of challenges, including political instability, undercapitalization, lack of access to bank credit, inadequate youth empowerment schemes, decaying infrastructure, corruption, lack of technical know-how, and an enabling environment through tax exemptions (Okafor & Onyekwelu, 2018). Despite these challenges, entrepreneurial development remains essential for economic growth, business development, and a permanent solution to extreme poverty and unemployment. Entrepreneurial development initiatives that are tailored towards skill and vocational development, job creation, and youth empowerment can go a long way in addressing the unemployment challenge in Nigeria and contributing to the development of effective policies and initiatives to address unemployment and poverty in the country (Eze & Nwosu, 2017; Iwu & Onuoha, 2019).

1.3 Objectives of the Study

The main objective of this study is to investigate reduction of unemployment through entrepreneurship development in Nigeria with reference to Ogun State, Nigeria. The specific objectives of the study are to:

i. examine the impact of entrepreneurship development on poverty reduction in Ogun State, Nigeria.
ii. examine the impact of entrepreneurship development on job creation in Ogun State, Nigeria.
iii. investigate the relationship between entrepreneurship development and unemployment in Ogun State, Nigeria.

1.4 Research Questions

i. What is the impact of entrepreneurship development on poverty reduction in Ogun State, Nigeria?
ii. What is the impact of entrepreneurship development on job creation in Ogun State, Nigeria?
iii. What is the relationship between entrepreneurship development and unemployment in Ogun State, Nigeria?

1.5 Research Hypotheses

Ho_1: There is no significant impact of entrepreneurship development on poverty reduction in Ogun State, Nigeria

Ho_2: There is no significant impact of entrepreneurship development on job creation in Ogun State, Nigeria

Ho_3: There is no significant relationship between entrepreneurship development and unemployment in Nigeria

2.1 CONCEPTUAL REVIEW

Concept of Entrepreneurship

Tijani-Alawiye (2014), defined entrepreneurship as the process of adding to the stock of existing small, medium and big enterprises available to a country by creating and promoting many capable entrepreneurs who can successfully run innovative enterprises, nurture them to grow and sustain them, with a view to achieving board socio-economic development goals. It is also the process of bringing together creative and innovative ideas and copying them with management and organizational skill in order to combine people, money and resources to meet an identified need and thereby creating wealth (Shepherd & Douglas 2017).

However, it has to be noted that only Entrepreneurs that have been able to adopt and actually practice the principles of creativity and innovation are positively impacting the economy and add value to the life of the people (Fen et al., 2024). The only thing that is constant in this world is change Kaplan (2022). So, if Nigeria want to meet her steps with the rest of the world, then in this scenario it is imperative for her to adopt new phenomenon, new methodologies and new technology through constant development programmes. In this regard, the phenomenon of innovation and creativity is very important. Nowadays, businesses, entrepreneurs and individuals, are adopting the concepts of innovation and creativity. These concepts of innovation and creativity are becoming the central part of the strategies of the business and individuals and essentials for achieving sustainable development goals.

Onyebueke and Ochnongo (2012) sees entrepreneurship to be an art which involves recognizing a business opportunity, mobilizing resources and persisting to exploit that opportunity. According to Adediran (2018), "In China, most of their younger ones must pass through the technical school and have the following questions in their mind- what can I offer my country? What value can I add to the skill acquisition centers and what type of vocational skills do I need to possess? But in Nigeria, it is the other way round. According to Monday (2012), entrepreneurship development refers to the process of enhancing entrepreneurial skills and knowledge through structured training and institution-building programmes. Entrepreneurship development aims to enlarge the base of entrepreneurs in order to hasten the pace at which new ventures are created. This accelerates employment generations and economic development. Entrepreneurial development 'focuses on the individual who wishes to start or expand a business Onodugo & Onodugo (2015).

Furthermore, entrepreneurship development concentrates more on growth potential and innovation. Essentially this means the acquisition of skills that will enable an entrepreneur to function appropriately and adequately in terms of attaining present result based on previous decisions and planning for the future, based on present circumstance. Maintaining and developing the organized capability which makes achievement possible, and coordinating the specialist functions that should enable a firm to perform the technical task in marketing, personnel, research and development, manufacturing, finance and control, especially in the face of changing technology and dynamic industry trend (Innocent (2014).

Shepherd and Douglas (2017) observed that entrepreneurship development is the ability to envision and chart a course for a new business venture by combining information from the functional disciplines and from the external environment in the context of the extraordinary uncertainty and ambiguity which faces a new business venture. Adejumo, (2010) opined that entrepreneurial development has been found to be capable of making positive impacts on the economy of a nation and the quality of life of the people. Taiwo (2014) observed that in any given economy, entrepreneurship development programmes always give birth to job creation which will force people to do something that will better their lives and the country at large. It is very clear from his observation, job creation or employment opportunity in an economy can be traceable to entrepreneurship training and development affect the economic growth of the country Gaba & Gaba. (2022).

Factors affecting entrepreneurial development in Nigeria entrepreneur development takes place within a framework of forces that constitute the system environment, which are either external or internal (Dwamena et al., 2024). A critical issue in the entrepreneurial development and growth is firms' ability to adapt to its strategies to a rapidly changing system environment to which the entrepreneurs' role is critical to the success or failure of such firm (Amadasun, 2020). For the entrepreneur to be successful, he must be able to identify and find a useful niche within the large environment where it takes its risk, make strategic business plan and take/implement decisions (Witkamp et al., 2011). The various institutions and forces which determine the success or failure of the entrepreneur is its habitat also referred to as its eco-system or critical factors affecting the entrepreneurship which is equally dependent on the stability of the environment within which he operates, stability of environment exists in various degrees Khuong & Van. 2022). For entrepreneurial development to survive in these varying degrees depend on strategic management of the environment (Gerber 2015). Generally, the internal forces that the business eco-system entrepreneur must face and take strategic action to adapt in Nigeria are controllable, while the external forces are generally uncontrollable (Guerrero & Martínez-Chávez, 2020).

Problems of Entrepreneurship Development in Nigeria Some studies have been carried out on entrepreneurship development in the Nigerian industry. Some of the early studies are those of (Schaty & Edokpayi 2012; Agric & Sunny 2023) cited by Diyoke (2014). The study of Edokpayi (2023) was to determine the reactions of Nigerian businessman to government to encourage Nigerian private enterprises. The study was limited to western Nigeria and has serious reliability problem. Notwithstanding these short comings, the result of the findings shows that: i. Inadequate capital is the main problem ii. Lack of organizational and management skills is another important problem; and iii. Most of the businessmen misapplied the loan for another purpose. From another perspective, Schatz & Edokpayi (2012) in their study of economic attitude of Nigerian business also confirmed that inadequate capital is a major setback, but were silent on management skills and expertise. Ogabo et al. (2010) is of the opinion that inadequate capital, incompetent management, lack of technological and infrastructural facilities are the common problems, among others.

Ndubuisi (2014) opinion that apart from the known problems that have been mentioned earlier, other challenges include the following: i. Arbitrary challenges in the administration of law by the government which spreads the element of uncertainty among the entrepreneurs. ii. Lack of insufficient infrastructure and high cost of production. iii. Market imperfections, which deny potential entrepreneurs the resources, they need for organizing new entrepreneurs. iv. High risk involved in new enterprises. v. Low status of business in the eyes of the public and vi. Restrictive effects of customs and traditions. Entrepreneurship development programme plays an important role in the economic and industrial development of any country whether developed or developing.

The challenges of entrepreneurship development in Nigeria scholars‟ analysis has identified environmental factors as contributing to entrepreneurial development in Nigeria. Notwithstanding how plausible factors like personal traits, motives and incentives of an individual may sound, environmental factors also pose challenges to entrepreneurship. Especially, in the case of Nigeria, major constraints to the development of entrepreneurship relate to environmental, socio-economic, political and cultural factors that affect both entrepreneurial firms and non-entrepreneurial small businesses (Nwuke & Adeola, 2023).

Idam (2014) emphasize the devastating effect of poor infrastructural facilities, including epileptic power supply, poor condition of road network and inadequate water supply on emerging businesses. He also added that a related environmental factor is the incessant cases of kidnapping and insurgence of Boko Haram Sect‟, which create unhealthy and insecure environment for business operation. He further explained that high cost of doing business in Nigeria imposes economic dimension of challenges encountered by nascent enterprises. The weight of high incorporation costs, legal and professional fees, business permits and licenses add up to other start-up costs to create heavy burden on small businesses faced with limited access to credit facilities and high interest rates.

2.2 Theoretical Review

The study of entrepreneurship is based on several theoretical backgrounds. These theories form the basis upon which the research on the study of entrepreneurship is anchored. Different theories exist because of the different views of researchers who propounded these theories. Among these theories are;

2.2.1 Psychological Theory

Psychological theory as an entrepreneurial theory buttresses traits, motives and personalities as the major motivating factors that instill entrepreneurial spirit in an individual Anyim et al., (2012). Psychologists are of the view that there is an inner urge or force in someone that makes an entrepreneur to desire a change of status and environment that may lead to innovation (Mukherjee, 2016). Considering psychological variables associated with an individual‟s desire for achievement seems to be the leading factor behind most of the new ventures. These include desire for achievement, internal locus of control, energy/strength, need for independence/freedom, risk taking to mention but a few. Under this theory, the work of (Uzochukwu et al., 2015) was considered. McClelland (2019) in their study paid much attention on the issues of traits, motives and incentives as the major factors that encourage individual for personal achievement. According to him, "need for achievement" injects strength and energy into a human system that makes him/her to start and continue in business until that particular need is achieved.

Maris (2022) in support of this asserted that, the ideology which draws members into mutual protection may legitimize their economic relationship and as it does so, drive them on for performance. Racial and cultural loyalties bind a group together, without constant emphasis on the beliefs they share, entrepreneurship may be legitimized by practical economic arguments which underlying value barely stated and it may be stimulated by dominant culture. Relating this theory to women entrepreneurial motivation, McClelland (2019) view means that women's drive for achievement acts as a motivating factor for their involvement in business activity. The higher their desire for great achievement, the more is their involvement in entrepreneurship.

2.2.2 Sociological Theory

The theory of sociology is another underlying factor behind the study of entrepreneurship. In furtherance of McClelland's need theory, Sani and Lamido (2023) was more concerned with socio-historical process which produces the psychological „needs‟ behind the entrepreneurial disposition and less with the specific casual connections between such needs and the recruitment of performance of entrepreneurs. He also shows greater awareness of the gap between motivational disposition and actual behaviour. In addition to ‟Achievement of McClelland, Sani & Lamido incorporates other needs such as intelligence, world news and environment (Agric & Sunny, 2023). Sociological theorists of entrepreneurship were preoccupied with the analysis of need distribution among members of a society, but strongly criticized the notion that the most fundamental causal factors behind the emergence and performance of entrepreneurs are psychological. This is based on the argument that the psychological approach is too simple and misleading especially when it is applied to the explanation of business performance (Sani & Lamido, 2023).

In support of this, Hoppe and Namdar, (2023) opined that entrepreneurship results from "adaptation". To be an entrepreneur, one must be able to adapt to his/her environment. According to him, adaptation is a factor for environment analysis which helps in identification of business opportunity and area of needs in a particular environment. Without adaptation, no matter how good an idea might sound, it will not metamorphose into reality as an enterprise. Also, Agric and Sunny, (2023) argued that "for it is neither necessarily nor invariably true that high. Achievement guarantees business success, even when "success" is defined as McClelland defines it in terms of profitability, percentage control of the market, and size of firms and rate of growth.

Reynolds (2017) however, identified four (4) different social contexts that can be used in defining sociological enterprise. These include; social networks, life course stage, ethic identification and population ecology stage. Individual sociological background, acts as push factor that determines the social context of entrepreneurship. In support of this, Reynolds (2017) states that "the inability of traits theories to predict entrepreneurship could result from the ignorance of social context and choices confronting the individual when the decision is made".

2.2.3 Anthropological Theory:

According to Maheshwari et al. (2023) concentrates on social and cultural processes, they further argued that "the outcome and the degree of entrepreneurial activity depend on opportunity structure, which consists of both objective structure of economic opportunity and a structure of different advantage in the capacity of the system participants to perceive and act upon such opportunities. Cultural norms and beliefs can positively influence an individual's value system and help him to develop an entrepreneurial skill for economic vitality and socio-cultural factors however are subject to personal skills and ability to take decisions in a particular environment (Moriano, 2012). The value a woman places on her cultural values has a way of motivating her entrepreneurial behaviour and performance.

2.2.4 Ecological Theory

This examines the relationship between the environmental factors and the survival of an organization. Its major focus is on a symbiotic relationship between environment and organization; meaning that environment and organization co-exist. Theorists under this theory see the need for the existence of entrepreneur ecology (Hashemi & Darabi, 2022). Hashemi and Darabi, (2022) argued that: If it is feasible to speak of an entrepreneur psychology, it is also appropriate to speak of an entrepreneur ecology. Not only do entrepreneur furnish conspicuous evidence of change, they are the first to call attention to it by their lifestyle. Ideas, traits and characteristics are not enough to produce successful enterprise and enterprise must co-exist with the environment for survival Sanders (2023).

2.2.5 Economic Theory:

The theorists here saw an entrepreneur as an agent of economic change (Schumpeter & Swedberg, 2021). They argued that changes either in the environment or organization are a transformation that can occur as a result of the reaction of some economic forces (Elliot, 2011). Economists assume that entrepreneurs behave rationally towards some economic forces (business opportunities, resources etc.) that result to change in environment in the form of enterprise (O'Connor, 2013). Entrepreneurship was seen as a process or positive event to every economic revolution and without entrepreneurs, the other factors of production such as land, labour and capital cannot transform themselves into economic value (product and services) (Schumpeter, 2017).

2.3 Empirical Review

Catherine (2022) examined the effect of entrepreneurship development on employment creation in selected maritime and maritime related companies in Warri Delta State A survey of 212 maritime company workers were involved, while the data was analysed using Statistical Package for Social Science (SPSS v20.) to carry out a multiple regression. Results revealed that entrepreneurship will result in 75.4% increase in employability skills with adjusted R-square value of 0.754, it is established that there is a significant influence of the identified limiting factors on growth of entrepreneurship; also that entrepreneurship will result in 70.8% increase in employability skills with adjusted R-square value of 0.708, beta value of 0.659 and p-value < 0.05, indicated significant influence of entrepreneurship on employment creation and that entrepreneurship will result in 79.1% increase in employability skills with adjusted R-square value of 0.791.

Oniore et al. (2023), carried out research on unemployment rate in Nigeria: Agenda for Government. He found out that statistically speaking in the last couple of years, Nigeria's economy is one of the fastest-growing in the world while its people are the most impoverished in real terms. The events of last March 15, where millions of people scampered for about 4500 job vacancies advertised by the Nigeria Immigration Service leading to the death of about eighteen of them in an unwarranted stampede betrays the idiosyncrasy of the Nation's nominal growth without corresponding development.

Salami (2023) carried out research on youth unemployment in Nigeria: A time for creative and innovative intervention. He said that unemployment in Nigeria is a time bomb waiting to explode if effective interventions are not put in place to mitigate the 37 unsavory impact of high youth unemployment. His work establishes a link between entrepreneurship and youth unemployment if an adequate attention is focused on the creation of enabling socio-economic and political environment that can galvanize a culture where the youths think job creation away from the mindset of job seekers. Bandal (2010), carried out empirical study on leveraging the relationship between entrepreneurship and job creation. He found out that individual talent, attitude, skills and knowledge along with several contextual.

Padi and Musah (2022) examined the need for promoting employment in Nigeria through the development of entrepreneurship. The work relies mostly on secondary data from scholars in the field. They concluded that, government and its agencies should deliberately encourage entrepreneurial culture and skill in Nigeria in order to attack and eventually reduce the high level of unemployment situation in the country so that the nation will boost its economic development.

3.1 Summary of Findings

The summary of findings is based on the research objectives which are stated below: Objective one was designed to assess the extent with which SMEs create jobs in Ogun State, Nigeria. It was discovered from findings that the majority of the respondents said that small scale business creates job opportunity in Ogun State, it has also done well in reducing unemployment in state. Also, it has reduced the level of poverty in Ogun State and it has also served as income generation in Ogun State and reduces the rate of labour migration in the State. Objective two was designed to examine the problems of SMEs in Ogun State. It was discovered from the investigation that the majority of the respondents said that electricity affects small business growth in Ogun State, also the people of state utilize opportunity but due to capital acquisition it wasn't effective, also it was agreed that small business face security challenges and there is a policy that pose as a constrain in small business growth in Ogun State. Objective three was designed to investigate the influences of entrepreneurship development programs on poverty reduction among indigenes of Ogun State. It was discovered from investigation that the majority of the respondents said that there have been entrepreneurship development programmes in the state, also the programme conducted has been able to educate people in state, it was agreed that the programme has been effective from their own view and also it has help people to take care of their immediate needs. It was also said that the programme has help people of Ogun State to discover opportunities around them.

4.1 Conclusion

Based on the results of the findings, the study hereby concluded that entrepreneurship development and employment creation in Nigeria a study of selected SMEs is the best way to improve the rate of job opportunities and bring about civilization to the study area. Entrepreneurship and employment creation is a key prerequisite for a country's socio-economic and political transformation. The study also concluded that small and medium enterprises as a measure of entrepreneurship should be allowed and flexible for people with little capital can start up their own business without being disturbed or pursued. The study concludes that small and medium enterprises are the best way to reduce crime rate, prostitution, high mortality rate and political thuggery among others which are traceable to youth unemployment. Furthermore, entrepreneurship through small and medium will have huge impact on wage differential and crisis in the society if used effectively and efficiently. Finally, the study concluded that the proper use of the measures of entrepreneurship will help the country as a whole to function and reduces the rate of unemployment.

5.1 Recommendations

The paper concluded by recommending that government should participate fully in entrepreneurship to improve its performances for employment generation; there should be avenue of allocation of financial resources to entrepreneurs who need loan to start up their businesses

Firstly, the government should put in place a conducive business environment for the day-to-day activities in order to achieve the better sells of goods and services. Secondly, government should not replace entrepreneurship with technological equipment so as energies the free flow of activities in the study area. Thirdly, government should put in place vocational training centers, information technology centers and research institutes so as to increase the knowledge, skills and abilities of the business owners. Fourthly, government should put in place adequate research funds, improve their skills and boost the quality of education for the business owners who have the qualification, competencies and experiences to perform the task. Finally, organization should reduce the tax paid by the business owners in order to encourage those that may want to create their own venture.

Suggestion for Further Studies

This research work is not the end of explanation into the research study titled "entrepreneurship and employment creation in Nigeria a study of selected SMEs in Ogun State". The research study may even be extended to industries, other institutions or corporate organizations and not only limited to the scope of the study which was conducted in selected SMEs in Ogun State. Based on the findings of this study, the researcher hereby encourages future researchers to expand their study to other areas with more population to ascertain the external validity of the result.

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BUSINESS TO CUSTOMERS (B2C) MARKETING ON BUSINESS SUSTAINABILITY FOR YOUNG ENTREPRENEURS IN SOUTH WEST NIGERIA IN THE EMERGING FACE OF ECONOMIC CRISIS

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ABSTRACT

Business in today's world requires a whole lots of efforts for sustainability in order to create a compelling customer experience. Young entrepreneurs in the emergence of economic crisis need some marketing strategies to build brand loyalty and drive sales. B2C Marketing strategies leverage a combination of targeted messaging, engaging content and a seamless purchasing process to create value for customers and business success. This study therefore explores the experiences of young entrepreneurs in South West Nigeria as they navigate the challenges of business-to-customer marketing and ensure business sustainability in the face of emerging economic crisis. Through qualitative research design with the use of in-depth interview, the study uncovered the lived experiences of these entrepreneurs and their strategies for overcoming obstacles in the competitive business landscape. By focusing on the perspectives of young entrepreneurs, the study sheds light on the unique challenges they face, such as limited resources, fierce competition, and changing consumer preferences. Also, the findings revealed that the advent of of the internet has helped sustained business in the emergence of economic crisis with the use of energy technologies to reduce financial burdens. The study concluded that business can survival in every situation if business owners can diversify the opportunities available to them and navigate their challenges. The study recommended that young entrepreneurs during economic crisis should be innovative, creative, resourceful and utilize optimally new skills to maximally manage their resources.

KEYWORDS: Business to Customers Marketing, Business Sustainability, Entrepreneurs, Entrepreneurship, Economic Crisis, Social Media, Social Networking Sites.

1. INTRODUCTION

In the dynamic and ever-changing business landscape, young entrepreneurs face numerous challenges as they strive to establish and grow their businesses. This is particularly true in regions like South West Nigeria, where emerging financial crises add an extra layer of complexity to the entrepreneurial journey. One of the key aspects that young entrepreneurs must grapple with is the effective marketing of their products or services to customers, in order to generate revenue and sustain their ventures in the long term

Business-to-customer (B2C) marketing plays a crucial role in engaging target audiences, building brand awareness, and driving sales. However, in the face of limited resources, increasing competition, and shifting consumer behaviors, young entrepreneurs in South West Nigeria often find themselves navigating a challenging marketing landscape.

This study aims to delve into the lived experiences of young entrepreneurs in South West Nigeria as they confront the realities of conducting B2C marketing and ensuring the sustainability of their businesses amidst emerging economic crisis. By exploring the perspectives, strategies, and insights of these entrepreneurs, this research seeks to shed light on the specific challenges they face and the innovative solutions they employ to overcome obstacles in the competitive marketplace. Through a qualitative research approach that includes interviews and observations, this study aims to capture the nuanced experiences of young entrepreneurs and uncover valuable lessons that can inform best practices in entrepreneurship, marketing, and business sustainability.

By focusing on the unique context of South West Nigeria and the experiences of young entrepreneurs within this region, this study contributes to a deeper understanding of the intersection between B2C marketing, business sustainability, and financial crises. The findings of this research have the potential to offer practical recommendations and insights that can empower young entrepreneurs to navigate challenges, seize opportunities, and thrive in the face of adversity. Ultimately, this study seeks to highlight the resilience, creativity, and entrepreneurial spirit of young business owners in South West Nigeria, as they forge their paths towards success in a rapidly evolving economic landscape.

1.2 STATEMENT OF THE PROBLEM

The problem addressed in this study is the challenges faced by young entrepreneurs in South West Nigeria in conducting business-to-customer marketing and ensuring the sustainability of their businesses, particularly in the context of emerging economic crisis.

In the face of economic downturns and financial instabilities, young entrepreneurs are confronted with a range of obstacles that impede their ability to effectively market their products or services to customers. These challenges may include limited financial resources to invest in marketing strategies, fluctuations in consumer purchasing power, increased competition, and the need to adapt to changing consumer preferences and behaviours.

Additionally, the study aims to examine the lived experiences of young entrepreneurs in navigating these challenges. This would involve understanding the strategies employed by these entrepreneurs to overcome the obstacles and sustain their businesses amidst economic crisis. By examining their experiences, the study seeks to identify the specific issues and difficulties faced by young entrepreneurs in the South West region of Nigeria, providing insights into the unique dynamics of this particular context.

Thus, the main problem investigated in this study is the need for young entrepreneurs in South West Nigeria to effectively market their products or services to customers and ensure the sustainability of their businesses, despite the challenges posed by emerging economic crises.

2. LITERATURE REVIEW

2.1 CONCEPTUAL REVIEW

2.1.1 Business to Customers Marketing

Business to Customers Marketing refers to the approach businesses take to directly sell products and services to consumers. It involves utilizing targeted, digital campaigns, personalized communication and active social media engagement, with focus on addressing personal needs and interests to effectively drive sales (Becker, 2022).

Business to Customers Marketing is a term used to describe companies marketing directly to customers. It is a term used to describe a business model in which a company or a brand markets directly to individual consumers in contrast to B2B (Business to Business) Marketing. Business to Customers Marketing is often more focused on generating an emotional response among the target audience, as opposed to simply demonstrating value. B2C Marketing is therefore, a set of strategies, practices and tactics that a company uses to push its products or services to customers. B2C Campaigns do not just focus on the benefit or value that products offer, but also on invoking an emotional response from customers (Reddy, 2023).

At the heart of Kotler's teachings lies the customer-centric approach. Kotler's posits that understanding the customer's needs, desire and behaviour is paramount. It is not merely about selling products and services; it is about crafting experiences and solutions that resonate with the customer's personal narrative and aspirations.

Business to Customers Marketing is characterised by a list of features that makes it stand out such as:

A short sales cycle: B2C Customers usually buy that which were advised by their friends so the entire process is less intimidating for clients and sellers.

Domination of an emotional element over the rational one: B2C customers look for instant solutions to their problem based on their desires. They rarely think strategically over the purchase. Customers usually return for a return purchase and same emotional experience if the products or services gives them the solution they wanted.

Working with the end-user: B2C companies usually deal directly with the consumers of their products. This makes it help the companies to use the right techniques, strategies, approaches or the right words to convince their customers to purchase the products.

The high importance of Social Media: In this present day business marketing, the usage of social media marketing, digital marketing or online marketing cannot be put aside to get existing customers to return purchase or re-targeting or get potential customers. People look for customers review or customers feedback on Facebook or Instagram channel or account via chatbots. Companies or brands create chatbots to provide clients with 24/7 support, collect reviews, share updates, and run re-targeting campaigns to bring in new customers and maintain relationships with them.

B2C Marketing is an important marketing concept that is vital for all businesses that sell consumer-based products or services. These includes restaurants, drug stores, car companies, fashion businesses, software companies, grocery store and many more. The internet has become the most preferred channel for B2C brands to promote their goods or services and for conducting market research. B2C Marketing is beneficial in the following ways:

It helps companies or brands boost website visits to grow their subscribers list. When the number of leads that visit a business's website increases, the number of new subscribers also goes up.

Offers more refined interactions with customers: Business to Customer marketing through segmentation of audience or consumers helps to send direct or specific messages to target consumers at strategic times.

Gives business better rankings on search engines: By using targeted keywords, awebsite can increase its position in search results. As a result, there are more chances for users to find the company.

Increases conversion and brand awareness: Through bulk emailing, social media outreach, SMS Marketing, Social media Ads, business to customers marketing strategies enable businesses to reach and connect with large audiences.

B2C Marketing has been in existence for a long time and relies on various communication channels to reach the final customers. The channels available for B2C marketers are: e-mail marketing (through promotional e-mail), mobile marketing (through websites, apps, SMS, MMS and social media) ; web push marketing (such as push notifications-pop-up ads) ; social media marketing; Search Engine Optimization (for a search engine non paid results) and Paid Search Advertising which is a type of pay-per click advertising where brands pay for advertisement to appear on the website page of some search engines like Google or Yahoo.

Today's B2C Marketing promotions should be smart, data-driven, technology-heavy, easy for customers to access, and focused on meeting the exact needs of the consumer. For successful marketing campaigns, however, B2C companies must be familiar with market trends and know their target audience's purchasing habits, needs, and preferences. Harvard Professor of Business, Theodore Levitt cited by Burnett John in Defining Marketing, the purpose of all businesses is to " find and keep customers ". Furthermore, the only way you can achieve this objective is to create a competitive advantage.

2.1.2 Business Sustainability

In business, sustainability involves doing business with the environment, community or society as a whole without negative impact or implications. The World Council for Economic Development (WCED) 1987 defines sustainability as development that "meets the needs of the present without compromising the ability of the future generations to meet their own needs". Thus, sustainability is fast becoming fashionable in strategic management and as a result, it helps to mitigate environmental, social and economic challenges through the strategic management of corporate resources. It seeks to improve the effects a company has on the external world. In return, the business generates goodwill with customers, employees, community members, investors and other stakeholders.

Taking this further, Business Sustainability can be said to be a process of analysis and decision making across business functions, obtained through a committed and a clear understanding of transitions that may occur in the present or future. Business sustainability has two main categories such as effect of business on the environment and effect of business on the society. Business sustainability refers to the practice of operating in an economically, socially, and environmentally responsible manner to ensure long-term success and resilience. Sustainable business practices aim to balance profit generation with social responsibility and environmental stewardship for the benefit of current and future generations.

Nidumola, Pralahad and Rangaswami (2009) and Willard (2012) suggest that sustainability may become an integral part of the business strategy and operations only if the company overpasses the different challenges at each stage of the process for sustainability and develop new capabilities to tackle these challenges. Nidumolu et al 2009, proposed five stages process for sustainability which are compliance, sustainable value chain, design of sustainable goods and services, development of new business model and creation of next-practice platforms.

Key aspects of business sustainability include:

Economic sustainability: Business sustainability involves maintaining a profitable and financially stable operation over the long term. This includes efficient resource allocation, cost management, revenue growth, and strategic planning to ensure the financial viability of the business.

Social sustainability: Social sustainability focuses on the impact of business operations on society, employees, customers, and communities. This includes promoting diversity and inclusion, fostering employee well-being, supporting local communities, and upholding ethical business practices.

Environmental sustainability: Environmental sustainability involves minimizing the negative environmental impact of business activities and promoting sustainable resource use. This can include reducing carbon emissions, conserving energy and water, minimizing waste generation, and adopting environmentally friendly practices and technologies.

Stakeholder engagement: Business sustainability requires engaging with a wide range of stakeholders, including employees, customers, investors, suppliers, government agencies, and the local community. Effective communication and collaboration with stakeholders are essential for building trust, transparency, and support for sustainable business practices.

Corporate social responsibility (CSR): Corporate social responsibility is an integral part of business sustainability, encompassing the voluntary efforts that companies make to operate ethically and contribute positively to society. CSR initiatives can include philanthropy, community involvement, ethical sourcing, and environmental conservation efforts.

Sustainable supply chain management: Businesses are increasingly focusing on creating sustainable supply chains by working with suppliers who adhere to ethical, social, and environmental standards. This includes monitoring supplier practices, promoting fair labor conditions, and sourcing environmentally friendly materials.

Reporting and transparency: Business sustainability requires companies to measure, monitor, and report on their social, environmental, and economic performance. Sustainability reporting frameworks, such as the Global Reporting Initiative (GRI) or the United Nations Sustainable Development Goals (SDGs), help companies communicate their sustainability efforts and performance to stakeholders.

Overall, business sustainability is about creating value for all stakeholders, taking a long-term perspective, and integrating economic, social, and environmental considerations into business decision-making. By embracing sustainability, businesses can enhance their reputation, reduce risks, drive innovation, and contribute to a more sustainable and equitable world.

2.1.3 Economic Crisis and Business Sustainability

Economic Crisis is a situation in which the economy of a country experiences a sudden downturn in its aggregate output or real gross domestic product (GDP). The result of the economic crisis is a decline in real income over capita and an increase in unemployment and poverty.

Current global economic crisis has had ripple effect on entrepreneurship, companies, brands, industries, societies and nation. Economic downturn will mostly affect all business activities including that of young entrepreneurs in South West, Nigeria. There is uncertainty tha t business will thrive during this harsh economic crisis, downsizing, currency crisis, debt and inflation in prices of goods and services.

Business sustainability during economic crisis has proven difficult. It boils down to the survival of the fittest for business to remain in existence. Global economic crisis is one of the most significant environmental changes influencing all managerial functions-including entrepreneurs and organisations. Jankelova N. et al (2018) in Security of the business organisation as a result of the economic crisis in their findings concluded that optimisation of the organisational structure can be the way for helping business companies to overcome economic insecurity lin the times of crisis.

2.2 THEORETICAL REVIEW

There are several theories and frameworks that can be applied to business-to-customer (B2C) marketing and business sustainability in the context of young entrepreneurs in South West Nigeria.

2.2.1 Social Exchange Theory

Social exchange theory emerged from sociology and psychology. It was developed by sociologist George Homans in 1958 with core assumption that social behavior is the result of an exchange process to maximize benefits or minimize costs. Homan (1958) submitted that people evaluate the potential benefits and risk of social responsibility. This implies that young entrepreneurs are aware of the benefits to be gained and risk before venturing into business. Social exchange theory emphasizes cost-benefit analysis that involves economic relationship.

Social exchange theory posits that relationships are based on the exchange of resources, benefits, and value between parties. By understanding the needs and preferences of their target customers, young entrepreneurs can offer value propositions that resonate with their audience, leading to mutually beneficial exchanges and sustainable business growth. The social exchange confirmed that economic relationship is cost-benefit oriented as it involves two parties with intention of benefiting from each other. Young Entrepreneurs benefiting from the arrays of opportunities of business to customers marketing strategies to drive sales and get more customers.

2.2.2 Diffusion of Innovation Theory

Diffusion of Innovation theory was developed by Rogers E.M in 1962. It is one of the oldest Social Science theories which describes the pattern and speed at which new ideas, practices, or products spread through a population. The main players in the theory are innovators, early adopters, early majority, late majority, and laggards. The main assumptions of the diffusion of innovation theory include the importance of adopters' innovativeness, the influence of social systems, and the stages of the individual adoption process.

Diffusion of Innovation theory explores how new ideas, products, or services spread through a social system. By adopting innovative marketing strategies, such as social media promotions, influencer partnerships, and experiential marketing events, young entrepreneurs can increase awareness, drive adoption, and accelerate the growth of their businesses in the competitive marketplace.

By integrating these theories and frameworks into their marketing strategies and business practices, young entrepreneurs in South West Nigeria can enhance their ability to attract and retain customers, sustain their ventures in the face of economic crisis, and create long-term value for both their businesses and their communities.

2.3 Business to Customers Marketing Strategies for Entrepreneurs and Business Sustainability

Lepkowska-White (2017) found that business want to use the marketing strategy that will allow them reach more customers, increase sales and reduce costs. He used a case study to examine a Multi-media campaign regarding data from a company's loyalty programme. Although, Dahaner and Dagger found targeted e-mail effective. They concluded that more traditional media such as direct mail, television and radio were the most useful types of media.

Emerging versus traditional media combined together will go a long way in reshaping the marketing spheres of entrepreneurs. The internet which gas been around gorgeous over 25 years, and the recent surge of social media sites has contributed to the evolution of consumer and company interactions (Fry, 2014). Karina and Sarvary (2014) define social media as the way in which people interact to create, share, and /or exchange information and ideas in virtual communications and networks. Previous researchers agreed that companies who used e-marketing (social media, e-mails, web sites) were able to reach customers quickly, but questions still linger regarding effectiveness and profitability of such methods.

Consumer Generated Social Networking Sites is another business to customers marketing tool entrepreneurs can utilize to sustain business in this digital age. It helps to generate revenue and use the business model to reach customers (Lee, 2017). Most Social Networking Sites use either site advertising or subscription fee to generate revenue, which leads to sustainability issues and concerns in identifying customers on sites that requires subscription.

Mobile phones have added another dimension to social commerce. Push marketing concepts like group buying and co-creation of user generated material. All of these innovative technologies and marketing methods requires companies to develop multi-channel messages to use social media tools effectively and reach target audience (Guo & Zheng, 2017).

3.0 METHODOLOGY

3.1 Research Design

The study adopt qualitative research design to corroborate and deeply explore the phenomenon in order to give richer contextual insights about the influence of business to customers marketing on business sustainability of young entrepreneurs in the emerging face of economic crisis in South West, Nigeria.

3.2 Population of the study

The population of the study comprise of selected young entrepreneurs in four regions of South West, Nigeria (Ogun, Oyo, Osun and Lagos) that volunteered to participate in the interview session.

3.3 Sampling Technique/ Sample Size

Purposive sampling technique was adopted in selecting the respondents for this study. Purposive is suitable in order to get respondents who freely volunteered to participate in the study. The sample size for the in-depth interview session were 4 interviewees/participants from whom social data that provides deep understanding about business to customers marketing on business sustainability for young entrepreneurs were retrieved.

3.4 Research Instrument

The research instrument adopted for this study is In-depth Interview. Interview schedule with 10 questionnaire items were adopted for the qualitative aspect of the study. The confidentiality of the interviewees were protected by using numbers to refer to them as Respondents 1, 2, 3 and 4 under presentation of results.

3.5 Method of Data Analysis

Thematic Analysis was adopted to analyse the qualitative data generated through the in-depth interview session. Theme categories were used to analyse the data collected for the study for codification, categorization and the themes serve as the premises for discussion.

4. PRESENTATION OF RESULTS

4.1 Presentation of Interview Data

The following thematic analysis organizes the qualitative interview data gathered into key themes that emerged through codification and categorization. The in-depth interviews were conducted with four individuals, providing insights into business sustainability practices in the face of economic challenges. The study focused on understanding marketing strategies, adaptation to crises, and sustainability priorities among young entrepreneurs.

Theme 1: Understanding of Business-to-Customer Marketing for Sustainability

Responses:

• Direct Engagement: Respondents highlighted direct selling and one-on-one communication as essential for maintaining customer relationships and staying relevant. For example, Respondent 1 emphasized direct selling, while Respondent 3 focused on personal communication to stand out in a competitive market.

• Customer Recognition: Respondent 4 mentioned that marketing efforts should aim at brand recognition and maintaining sales by targeting both existing and potential customers.

Theme 2: Adapting Marketing Strategies Amidst Economic Crisis

Responses:

• Cost Control and Collaboration: Respondents 1 and 2 noted expense monitoring, budgeting, and partnering with other businesses as essential strategies.

• Social Media and Eco-Friendly Choices: Respondent 3 emphasized using social media to engage customers, while Respondent 4 stressed the importance of eco-friendly practices to appeal to environmentally-conscious consumers.

Theme 3: Challenges in Maintaining Business Sustainability

Responses:

• Rising Costs and Quality Concerns: Respondents 1, 3, and 4 cited increased material costs as a primary challenge, often leading to compromises on quality.

• Customer Expectations and Time Management: Respondent 2 added difficulties in meeting customer expectations, limited opportunities for business expansion, and time management as additional challenges.

Theme 4: Prioritization of Sustainability in Decision-Making

Responses:

• Product Quality and Internal Assessment: Respondent 1 emphasized delivering high-quality products and evaluating internal strengths and weaknesses.

• Professional Development and Resource Management: Respondent 2 mentioned engaging in seminars and training to enhance decision-making, while Respondent 3 prioritized reducing waste and using eco-friendly packaging.

Theme 5: Role of Innovation in Ensuring Sustainability

Responses:

• Creative Problem-Solving and Digital Marketing: Respondents 1, 2, and 3 indicated that innovation aids in discovering new customer acquisition methods, leading to increased sales. Respondent 4 cited online advertising, such as Meta Ads, as an innovative way to reach larger audiences.

Theme 6: Perceived Impact of Economic Crisis on Business Sustainability

Responses:

• Decline in Sales and Customer Base: All respondents observed that economic crises often result in reduced sales and a shrinking customer base.

• Prudent Financial Management: Respondent 2 added that crises encourage entrepreneurs to adopt a more careful approach to spending.

Theme 7: Strategies to Withstand Economic Crisis

Responses:

• Resource Management and Diversification: Respondent 1 stressed non-wastage, while Respondent 2 highlighted diversifying income sources, such as saving in foreign currencies.

• Promotional Offers: Respondent 3 noted the effectiveness of discounts and special deals during economically challenging times to retain customer interest.

Theme 8: Balancing Short-Term and Long-Term Goals

Responses:

• Strategic Planning and Smart Investments: Respondents acknowledged the importance of balancing short-term goals with sustainable, long-term objectives through planning. Respondent 3 specifically mentioned investing in energy-efficient technologies.

• Eco-Friendly Decisions: Respondent 4 emphasized making choices that are both profitable and environmentally responsible.

Theme 9: Advice to Young Entrepreneurs

Responses:

• Risk-Taking and Resourcefulness: Respondents advised embracing risk, being open-minded, and continuously researching new solutions. Respondent 3 highlighted the importance of understanding audience needs and collaborating with influencers.

• Seeking Mentorship: Respondent 4 advised reaching out to experienced business owners and being open to change as valuable steps.

Theme 10: Factors Contributing to Entrepreneurial Resilience

Responses:

• Creativity and Innovation: All respondents emphasized that creativity and innovation are vital to success. Respondent 3 added that a positive mindset, adaptability, and growth mindset are essential.

• Utilizing New Communication Tools: Respondent 4 mentioned the importance of using new tools to engage customers effectively and adapt to market changes.

4.3 Discussion of Findings

Critically examining the persuasive nature of business to customers marketing strategies, it was established adequate usage of the available strategies have mobilized millions of consumers to several business platforms and young entrepreneurs have equally migrated to such platforms to meet the needs and preferences of the people (Rodgers & Thorson, 2000; Audrejevic, 2002). Van Raiij, (1998) explicated on the concept that marketing in form of advertising has become an instrument, formerly sender dominated to receiver dominated and interactive instrument on the web. The socialization prowess of advertising as clearly seen in persuading the consumers to purchase goods and services has resulted in change of lifestyle, behavior, values and norms (Clausen, 1968).

The thematic analysis of the qualitative data revealed that the coping mechanism for young entrepreneurs during economic crisis is to bear risk and be prudent in The management of resources available at their disposal. The interviewees enunciated the major negative effect of economic crisis on business sustainability to be decline in sales and number of customers. Recessions cause declines in sales that can spiral as the resulting layoffs further depress demand. Credit access tends to tighten amid rising economic uncertainty, while loan delinquencies and defaults increase alongside bankruptcies (Kindness, 2023).

In the course of eliciting responses from the interviewees, it was gathered that innovation, creativity, creating new ideas and exploring internet based facilities tools would give young entrepreneurs edge in business sustainability. A sustainable competitive advantage is that competitive advantage which could be maintained on a long-term period, in opposition with one competitive advantage which results from short-term strategies and operations. The sustainable competitive advantage can leverage the sustainability to increase all business value if it becomes an integrated part of the global sustainable strategy of the business (Danciu 2013). A study performed by Deloitte (2010) suggests improvements in four areas for increasing the ability of the company to achieve the competitive advantage through sustainability.

5.0 CONCLUSION

In conclusion, young entrepreneurs in Southwest Nigeria should leverage their sustainability efforts to navigate the emerging economic crisis successfully. By effectively communicating their commitment to sustainability, offering value-driven products or services, and engaging with the community, young entrepreneurs can build trust, attract customers, and ensure long

6.0 RECOMMENDATIONS

Understand your target audience: Before implementing any marketing strategy, it is important to understand the needs, preferences, and values of your target customers. Conduct market research to gain insights into the sustainability concerns and interests of your target audience in South West Nigeria.

Develop a compelling brand story: Craft a compelling narratives that communicates your business's sustainability efforts and the positive impact it has on society and the environment. Highlight the mission, vision, and values of your business, and explain how it aligns with the values of your target customers.

Utilize social media platforms: Social media is a powerful tool for reaching and engaging with customers. In today's business world, young entrepreneurs need to create social media accounts for their businesses and regularly share contents that showcases your sustainability initiatives. Use videos, images, and customer testimonials to tell your sustainability story in a visually appealing and engaging way.

Partner with local influencers: Identify influential individuals on social media who are passionate about sustainability and have a strong following in South West Nigeria. Partner with them to promote your business's sustainability initiatives. They can create content showcasing your products or services and share it with their followers, exposing your business to a wider audience.

Offer incentives for sustainability: Business Owners need to encourage customers to support your business's sustainability efforts by offering incentives. This could include discounts for customers who bring reusable bags or containers, rewards programmes for customers who purchase eco-friendly products, or donating a portion of sales to local environmental organizations. These incentives not only promote sustainability but also incentivize customer loyalty.

Collaborate with local sustainable organizations: Young Entrepreneurs should partner with local organizations that are dedicated to sustainability and environmental conservation. Collaborate on joint marketing initiatives, such as co-hosting events or cross-promoting each other's businesses. This allows you to tap into their established networks and credibility, enhancing the visibility of your own sustainability efforts.

Above all, young entrepreneurs, business owners, companies need to acquire financial literacy skills in order to prudent with spending and manage resources well.

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ASSESSING THE KNOWLEDGE, ATTITUDE AND BELIEFS OF RESIDENTS OF ORU AND OBADA IN IJEBU NORTH LOCAL GOVERNMENT AREA OF OGUN STATE TOWARDS CLIMATE CHANGE

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Abstract

This research assesses the knowledge, attitude and beliefs of Residents of Oru and Obada in Ijebu North Local Government Area of Ogun State towards climate change. The study is hinged on the Diffusion of Innovations Theory and Elaboration Likelihood Model. Drawing on qualitative methods, including indepth interviews and using thematic analysis, the study explores current communication strategies, levels of awareness, influencing factors, and the role of cultural beliefs and socio-economic factors. Findings reveal lack of existing communication strategies and low levels of awareness among residents, attributed to barriers such as illiteracy and cultural beliefs attributing climate change to divine forces. Socio-economic factors, particularly education, significantly shape attitudes and behaviors towards climate change. The study underscores the need for tailored, context-specific communication strategies and recommends engaging community leaders and youths in dissemination efforts. This research contributes to filling the knowledge gap regarding climate change communication in local communities in South-West Nigeria.

Key words: **climate change, communication strategies, local communities, awareness, Ogun State**

I. Introduction

Climate change generally refers to an increase in average global temperatures. Throughout the States in Nigeria, spanning from the Northern to the Southern regions, millions of individuals, both women and men, are presently encountering and responding to alterations in seasonal rainfall patterns, rising temperatures, and more frequent extreme weather occurrences. These changes have resulted in droughts, floods, and coastal storm surges.

The United Nations Framework for Climate Change Communication (2021) defines climate change as environmental shifts induced by human activities that disrupt the natural climatic patterns over an extended period. The European Commission asserts that human activities, particularly the emission of CO2 gas, stand as the primary contributors to the climate crisis, intensifying the greenhouse effect and its impact on society (Ogwezi & Umukoro, 2020)

One school of thought believes climate change is caused by human activities (anthropogenic) such as deforestation, building, and burning of fossil fuel, while another school of thought (natural) holds that climate change is caused by natural events such as volcanic reactions, extreme temperatures and the like (Johnson, Affolter, Inkenbrandt & Mosher, 2021). However, Johnson et al (2021) asserts that numerous climate studies provide compelling evidence in favor of the anthropogenic stance on climate change. This is exemplified by a report from the National Oceanic and Atmospheric Administration, which indicates that 97 percent of climate scientists concur that human activities are the primary driver behind climate warming (Azu and Alakwe, 2023). However, irrespective of the various perspectives and schools of thought, it's undeniable that climate change has become a widely discussed topic. Its implications on various facets of development—be it social, economic, or environmental—are now central to the concerns of economists and scientists alike. Attaining a thorough comprehension of the environmental risks associated with climate change and its potential impacts is paramount. Consequently, effective climate change communication should prioritize addressing these crucial aspects.

Findings from various studies (BNRCC, 2011:1; Odjugo, 2010; Nwafor, 2007 & Jagtap, 2007) have revealed that climate change is likely to have negative impact on the efforts to achieve Nigeria's development objectives, including those outlined in Nigeria Vision 2020 and the Sustainable Development Goals (SDG), number 13: "Take urgent action to combat climate change and its impact".

The impacts of climate change vary across the country's geographical regions. For instance, in the Coastal/Rainforest region with its extensive coastline to the South, communities face heightened vulnerability to rising sea levels and storm surges. Conversely, communities in the Sahel region to the North, already grappling with cyclical droughts, are particularly susceptible to increased aridity stemming from higher temperatures and reduced rainfall. (NEST & Woodley, 2012).

II. Statement of the Problem

The global environmental crisis unfolding today leaves little room for denial regarding the reality of climate change. Some of the noteworthy climate change occurrences worldwide include the melting of sea ice and ice sheets, rising sea levels, more frequent and intense heat waves, floods, and alterations in the habitats of plants and animals, among other effects.

Over the span of a century from 1920 to 2020, the earth saw a substantial temperature increase of about 20 degrees Celsius (Green and Jacobs, 2020). Climate change emerges as one of the foremost threats to human existence in contemporary times. Its repercussions permeate every aspect of life, spanning health, agriculture, food systems, natural resources, security, and migration, among others. Projections suggest that unless action is taken, the Earth may become uninhabitable for humans before the end of this century (Figueres & Rivett-Carnac, 2020).

In 2012, Nigeria faced one of the most devastating consequences of climate change, leading to widespread flooding in most parts of the country.

In response, both the government and relevant organizations communicated extensively about intervention measures to address climate change, particularly focusing on vulnerable communities. These interventions aim to mitigate the effects of climate change by fostering positive behavioral changes among the populace through increased awareness of adaptation and mitigation actions. This information is disseminated through multiple channels including radio, television, videos, printed materials, interpersonal communication, and new media platforms. (Ekeka & Adikuru, 2022)

Researchers like Azu & Alakwe (2023); Ekeka & Adikuru (2022); Abuta, Agumagu & Adesope (2021); Ogwezi & Umukoro (2020) among others, have studies climate change communication in Nigeria. These studies evaluated various climate change communication strategies in the South-Eastern and in the Northern part of Nigeria. However, very few studies have looked at climate change communication in local communities in South-West Nigeria, specifically Ogun State. This is the gap in knowledge which this study seeks to fill.

To this end, the objectives of this study are as follows:

III. Research Objectives:

1. To assess the level of knowledge and understanding of climate change among residents of Oru and Obada communities in Ijebu North Local Government.
2. To explore the role of local cultural beliefs, values, and practices in shaping climate change perceptions and communication among residents of Oru and Obada in Ijebu North Local Government.
3. To assess the effectiveness of climate change messages by government agencies on residents of Oru and Obada in Ijebu North Local Government.
4. To examine the role of socio-economic factors such as education, income level, and access to resources in shaping attitudes and beliefs of residents of Oru and Obada towards climate change

IV. Research Questions:

1. What is the level of knowledge and understanding of climate change among residents of Oru and Obada communities in Ijebu North Local Government?
2. What is the role of local cultural beliefs, values, and practices in shaping climate change perceptions and communication among residents of Oru and Obada in Ijebu North Local Government?
3. How effective are climate change messages by government agencies on residents of Oru and Obada in Ijebu North Local Government?
4. What role do socio-economic factors such as education, income level, and access to resources play in shaping attitudes and beliefs of residents of Oru and Obada towards climate change?

V. Theoretical Framework

This study is hinged on the Diffusion of Innovations Theory and the Elaboration Likelihood Model.

Diffusion of Innovations theory by Everett Rogers (1962) explains how new ideas, technologies, or behaviors spread within a society or community. It posits that individuals within a community can be categorized into different adopter categories based on their readiness to adopt new innovations or ideas. These categories include innovators, early adopters, early majority, late majority, and laggards. The theory suggests that successful adoption of new ideas or behaviors depends on several factors such as the perceived benefits of the innovation, its compatibility with existing beliefs and practices, simplicity, observability, and trialability.

In the context of climate change awareness, this theory helps understand why certain communication strategies might be more effective than others. It emphasizes the importance of tailoring messages to different segments of the community (e.g., early adopters vs. late majority), highlighting the benefits of climate-friendly behaviors, and ensuring the visibility and observability of these behaviors within the community.

Elaboration Likelihood Model (ELM) developed by Richard E. Petty and John Cacioppo in 1980, proposes two routes to persuasion: central and peripheral. The central route involves deep cognitive processing where individuals critically evaluate information based on its relevance, coherence, and persuasiveness. The peripheral route involves less cognitive effort and focuses on superficial cues such as attractiveness of the communicator or the emotional appeal of the message.

In the context of climate change communication, understanding which route (central or peripheral) is more effective in persuading local communities is crucial. Effective strategies may involve using the central route by providing scientifically accurate and detailed information about climate change and its local impacts. Alternatively, the peripheral route could involve using emotional appeals or endorsements from trusted community leaders to influence attitudes and behaviors related to climate change.

By applying these theories, researchers can analyze and design communication strategies that are more likely to effectively raise climate change awareness and promote sustainable behaviors within local communities in Ijebu North Local Government Area of Ogun State.

VI. Literature Review

Communicating Climate Change

Communicating climate change has gained significant importance within our society, particularly among scholars in the social sciences. Climate change communication entails encouraging behavioral changes that enable individuals, communities, and societies to comprehend processes and take constructive actions to address this pressing challenge. Effectively communicating about the complexities, ambiguities, uncertainties, and occasionally overwhelming nature of climate change can be a formidable task. At its core, it acknowledges the necessity for people to comprehend, interpret, and respond to information in order to be sufficiently motivated and empowered to embrace the necessary changes to mitigate environmental threats.

However, as Ogwezi and Umukoro (2020) noted, on the surface people may perceive climate change communication as primarily focused on educating, informing, warning, persuading, and rallying people to address this urgent issue. They may believe that the straightforward transmission model of communication, depicting a one-way flow of information to a passive audience, suffices. However, this simplistic model has been widely recognized as severely insufficient and inefficient. This explains why, in various communication contexts, researchers have employed various messengers, developed and disseminated diverse, and occasionally conflicting messages, and utilized a range of intricate channels to engage diverse audiences. These audiences often harbor pre-existing beliefs and values that can shape their interpretation and understanding of the conveyed messages.

Communication strategies for climate change awareness globally

Across the globe there have been various climate change awareness strategies employed by mostly international organisations like the World Meteorological Organization (WMO), United Nations University – Institute for Environment and Human Security (UNU-EHS), United Nations Environment Programme (UNEP), United Nations Framework Convention on Climate Change (UNFCCC), Statistics Division of the United Nations (UNSD), European Environment Agency (EEA), Intergovernmental Panel on Climate Change (IPCC).

United Nations Climate Report (2024) provides reports and resources from subsidiary organisations like World Meteorological Organization (WMO), United Nations University – Institute for Environment and Human Security (UNU-EHS), United Nations Environment Programme (UNEP), United Nations Framework Convention on Climate Change (UNFCCC), Statistics Division of the United Nations (UNSD), etc. Other organisations like EEA (2019), IPCC (2022), National Oceanic and Atmospheric Administration (NOAA) and the National Aeronautics and Space Administration (NASA) among others also provide reports and resources on climate change as well.

Analysis of the Communication Strategies

In communicating climate change to the global audience, what is common to the above organisations is their use of clear and accessible language to communicate scientific findings about climate change. They presented data and evidence in a way that is understandable to the general public, highlighting the urgency and severity of the issue.

The organisations also used visual media such as infographics, videos, images and animations to convey complex information about climate change in a compelling and engaging manner. For instance, in the Emissions Gap Report by UNEP (2023), there was a 1 minute 56 seconds video of the negative consequences of carbon emissions, the segments of the population responsible for most of the emissions and the steps which collectively needs to be taken to reduce carbon emission. Another example is the Lancet Countdown Report (2023). On the first page of the report is an imposing picture which spans from one side of the page to the other and taking about one-fifth of the page. The picture is that of a large expanse of land which is mostly dry, and with trees which are already dead and some trees in the process of dying due to high temperature. A woman is seen in the picture carrying jerricans and obviously in search of water. This picture creates a scary image of the negative consequences of global warming and climate change. Like the two instances given, visuals can help people grasp the magnitude of the problem and understand its impact on the environment and society.

Also, the organisations share personal stories and experiences of people who are directly affected by climate change. Humanizing the issue will likely make it more relatable and motivate individuals to take action.

In addition, as noted earlier, organisations like the United Nations collaborate with subsidiary organisations and a wide range of stakeholders, including governments, NGOs, businesses, academia, and community groups, to amplify messages and reach diverse audiences.

Also worthy of note in the communication strategies of these organisations, especially the United Nations, is the fact that they acknowledge diverse perspectives and values. They therefore frame climate change messages and customize communication strategies in ways that are relevant and meaningful to specific audiences so as to resonate with different demographics, cultures, and socioeconomic backgrounds. In most of these organisations websites, there are “select language” options, which gives opportunity for readers to read the climate change reports and messages in their preferred language. The “select language” option is however limited because it only has option of languages like English, French, Spanish, Portuguese, Arabic, Chinese, and Russian. The implication of this is that those who do not understand or speak any of the listed languages cannot be reached with the climate change messages.

Furthermore, the organisations also harness the power of digital and social media platforms to reach a wide audience and facilitate dialogue about climate change. All the organisations have and post their social media handles on their websites and at the end of their reports. They use hashtags, online forums, and interactive tools to encourage discussion, share information, and mobilize support for climate action. It was also noted that the videos and documentaries they posted on their websites have the share and comment options. However, as wide as the audience reached through social media platforms is, it is not sufficient to reach people in rural areas and local communities where there are little or no access to the internet and where most of the population can neither read nor write.

Existing studies on climate change communication in Nigeria

There are existing studies on climate change communication in Nigeria. In a study by Azu and Alakwe (2023) on Communication and Raising Citizen's Consciousness of Climate Change

Challenges and Adaptation in Nigeria, the researchers leveraging a quantitative and exploratory approach and using surveys with structured and unstructured questionnaire questions, exposed gaps in citizens' knowledge of the causes of climate change and revealed the level of awareness of climate change challenges, people's attitudes to climate change, sources of information, and desired medium of communication among the Nigerian public. The study highlights the interplay between the contents of climate change communication and actionable steps that are easy to be understood and relatively simple to be followed by the citizens. The study concludes that much more needs to be done in sensitising citizens on climate change while suggesting a combination of alternative communication strategies that promise to stimulate citizens' awareness of climate change challenges and adaptation in Nigeria.

Ekeka and Adikuru (2022) studied Climate Change Communication in South East Nigeria. The study did a theoretical review of the climate change in Nigeria and adopted Mental Model to analyze different perspectives of climate change communication in Nigeria. The study observed from the various literature reviewed that for a successful climate change communication to be achieved, various communication channels must be employed in order to reach the targeted audience. From the analyses, the study recommended that efforts be made by all concerned bodies on climate change intervention to review the content of the messages for clearer and better understanding to audience. The study also added that there should be creation of communication strategies that would address the major issues of climate change geared towards the achievement of a wider coverage of climate change interventions in the country in meeting the SDG goals.

Also, Ajaero and Anorue (2018) explored newspaper framing and climate change mitigation in Nigeria and Ghana. The study compared influence of newspaper framing on climate change mitigation in Nigeria and Ghana. It also assessed challenges editors face in reporting climate change. Contents of eight National newspapers for both countries were analysed and the news editors of the sampled newspapers were interviewed. Findings reveal that the issue of climate change was given less coverage and the dominant frame used in Nigerian newspapers was the action frame, while environment frame was used for the Ghanaian newspapers, with flood as the prominent climate change issue reported in both countries. The study concluded that there is need for editors to look for ways to make climate change report more interesting.

Falaki & Adegbija (2013) in a study investigating the use of the media in disseminating information on climate change in North Central Nigeria used multi-stage sampling technique to select respondents, and used questionnaire to obtain data from 411 farmers in the study area. Findings reveal that extension agents and battery-operated radios were the leading sources of information on climate change. Also, inadequate information due to inadequate media coverage of climate change in Nigeria in particular and the low literacy level were the principal constraints on climate change adaptation. It was recommended that the literacy level of the respondents be improved through the establishment of adult education or literacy classes in the study area so that they can benefit from print media information about climate change.

VII. Methodology

This study makes use of qualitative research design. The study area for this study is Ikansi community in Oru-Ijebu and Obada market in Ijebu-Igbo, both in Ijebu North Local Government Area of Ogun State. Ikansi is a local community chosen for this study because it’s a new settlement with a large expanse of land. Its residents are mostly small and medium scale farmers who cultivate maize, cassava, leafy vegetables, banana, plantain, potatoes, cocoyam and melon. Most of the residents cultivate their farms in their compound. When they build their house, they leave a large part of their land for farming. Some of them practice subsistence farming to feed their immediate family while some of them farm for commercial purposes. When the commercial farmers harvest their crops, they bring the produce to the entrance of the community which is by the road side, buyers flood the entrance of the community to buy farm produce in wholesale or retail. The wholesalers and retailers take the produce to sell in nearby Ago-Iwoye market or Obada market and Atikori market in Ijebu-Igbo.

Obada, the second study area, is one of the major markets in Ijebu-Igbo and it runs daily. It is situated at the heart of Ijebu-Igbo, the capital of Ijebu North Local Government. The market is situated beside Ijebu-Igbo central motor park.

Using Structured Interview Guide, the researcher conducted six Indepth Interviews comprising of two residents of Ikansi community and four traders in Obada market. The researcher could only get two residents in Ikansi to grant the interview because the period of this study is the commencement of the farming season, so most of the residents are usually busy on their farms on weekdays and Saturdays and they relax on Sundays by attending community meetings or family meetings.

VIII. Data analysis

Thematic analysis was used to analyse the interviews. For ethical reasons, the names of the interviewees will not be mentioned. They will only be tagged as Informant 1, 2, 3, 4, 5, 6. Informant 1 and 2 are from Ikansi Community, while informants 3, 4, 5 and 6 are from Obada market.

The following are the themes derived from the analysis of the interview:

Theme 1: Interconnectedness of Environmental Issues and God

Nearly all the interviewees said climate change is orchestrated by God, not man. They believe that whether the sun is extremely hot or the rain is extremely heavy, all are caused by God and nothing can be done about it. For instance Informant 1, one of the residents of Ikansi community, a retired primary school teacher in her early 70s who practices subsistence farming said when she was much younger, the weather conditions were not as extreme as we have had it in the past 10 years. But she believes that even if the weather conditions change, it is still the work of God, and that God's ways are *"awamaridi"*, a Yoruba word which means unfathomable.

Also attributing climate change to God, Informant 3, a vegetable seller in Obada market said that the extreme weather conditions are as a result of the sins of human beings. She explained, *"Ese ni, abi ti eyan o ba ti se, aye gbogbo nkan ma duro bo se ye ko duro"* meaning "it is sin, of course if not for our sins, things (referring to the extreme weather conditions) should not be the way they are"

Of all the interviewees, only Informant 4, a middle aged woman who sells fruits and roasted plantain at Obada station did not attribute the change in climate to God. She only went straight to explain the different seasons in a year.

Theme 2: Climate change communication in the media

All the interviewees said they have never heard any news or information about climate change. Although most of them agree that they listen to the radio, however they have never heard any communication message about climate change on radio. The closest idea some of the interviewees have about climate change is that it is another word for eclipse. When asked what she knows about climate change, Informant 3 responded *"Mo ni boya eekan abi emeji sa, ti won ni osan ma di oru, so, lati igba yen ao ri nkan to je be mo"* meaning "I said maybe once or twice, that was when they said daytime will change to night, but since then we have not heard anything of such (climate change) again.

Informant 1 also responded too *"Ehn looto ati ni ododo, igba kan paa paa bi odun bi maarun abi ju be ni won ni osan ma di oru o, climate change na niyen nigbana…"* meaning "yes, truly there was a time, about five years or so ago that they said there will be solar eclipse, that was climate change …"

Informant 5, a retired Secondary School Principal said although she listens to the radio, she does not hear communication messages about climate change. She said what informed her vast knowledge about climate change is the fact that she studied Geography in the Tertiary Institution and Geography was her teaching subject while she was in the teaching service.

Theme 3: Direct Impact on Daily Life

All the interviewees responded that the extreme weather conditions affected their daily life. For instance Informant 5, the retired Secondary School Principal who sells paints in Obada market, who also seem to be the only one who has good knowledge of climate change has this to say about how climate change affects her daily life and that of her family *"…emi gege bi enikan ni isinyii, ko si ibi ti a joko si, inu ile o se joko, ita o se joko, gbogbo e loun gbona, oru n mu ni aaro, oun mu losan, oun mu lale…"* meaning "…I for one, there's nowhere to sit comfortably, its hot inside the house, its hot outside, its hot in the morning, in the afternoon and even at night …"

Informant 2, a Celestial Church priest and commercial farmer in Ikansi community responded *"eyan gan fun rara e, e ri pe kini mo wa se yii… Ti n ba mu omi, oya, eyan gan need omi talkless of awon eh nkan ti eyan gbin"* meaning "even human beings, what do you think I came to do?" Oluso showing the reasearcher some satchets of water he was holding in a black polythene bag continued, "if I don't drink water, see, even human beings are dehydrated (in this season) not to talk of plants"

However, Informant 4, the fruit seller in Obada market has a contrary opinion, she believes that the weather condition is normal and that there is nothing like climate change. She explains *"To ba ti di osu kaarun abi osu kefa lojo ma ro, lati January, February, March, April, May orun ni, orun yen maa n high gan"* meaning "rainy season commences around May to June, while January, February, March, April, May are usually very hot"

Theme 4: Health and Well-being

Only Informants 1 and 2 had something to say about the health implication of climate change on human beings.

Informant 2 said the extremely hot weather causes human beings to be dehydrated. Informant 1 on the other hand recalled that when she was younger, extremely hot weather causes Measles in kids. But she said measles is no longer common nowadays as it used to be in her days as a young girl. *"So measles yen, opelope awon yen, ise to de je pe ijoba fun awon omo ni immunization, ko de si immunization asiko tiwa…"* meaning "that measles, thank God the government gives children immunization nowadays, in those days there was no immunization"

Theme 5: Economic Effects

Most of the interviewees said the harsh weather conditions affect their business and means of livelihood one way or the other.

Informant 6, a meat seller in Obada market who did not mention his name says although the weather is extremely hot, he prefers it to rainy season because the rain mostly affects his business. He said, *"tojo ba ke ti su ke re awon eyan ma sare se papapa, eni to ba fe se nkan ni oja o ma kan se nkan to fe ra, o ma limit e ma sare ra ko ma lo le, to ba ke tun su beyen nigbami awa na maa wo pe ka wo ibi ta ma ta oja si ka le tete ma lo le"* meaning "once there's sign of rain, people will start rushing up whatever they are doing in order to leave the market before it starts to rain. Customers who initially planned to buy more items will not be able to do so because of the rain. Even we the traders, we'll sell our wares cheap so that we can leave before the rain starts." He explained further, *"Akoko, ti orun ba poju iru time to ye ka ta starting from igbami ti a ba ti wa nita ni ikan bi 12, ti orun ba poju, eni torun poju ko ni fe wa soja lai lo umbrella, elomii to ba ni gan, o ma fe ki orun wa sile, igba torun ba de jade to ba lo le ni nkan bi 5 lo ma bere si ni wa soja"* meaning "when the weather is extremely hot, potential customers will want to wait till later in the evening when the sun would have gone down, before they come to the market, meanwhile we would have displayed our wares since noon"

Informant 3, the vegetable seller explains how the harsh weather condition affects her sales *"Hmm, asiko orun o ma n affect wa but ti eyan ba ti fi omi si ti o ti dun dada so o ma wa fair"* meaning "the hot weather affects the vegetables we sell, we only manage to keep the vegetable fresh by sprinkling them with lots of water, which only makes the condition of the vegetables fair"

Informant 1 also explained that most crops did not do well in the last planting season. She explained, *"lodun yii ni isinyi ti a n mura pe a ma gbin nkan, awon nkan ta gbin garri nikan lo wa alright to se* *dada ati egusi na o se dada, agbado gbogbo e loko o se dada naa o sugbon break ti ojo yen break o affect agbado yen, ojo ke n lo lori e bojo se n lo lori e na o ma reduce asiko to ye ko ma so omo ko ni se kini"* meaning "take this year for instance, we are preparing to plant, of all the crops we planted, only cassava and melon yielded well, maize did not do well at all due to the long break in the rain, meanwhile the days are being numbered and that affects and elongates the period it should be ripe enough for harvest"

However, Informant 4 has a contrary view. She said the extreme weather conditions does not affect her sales, because the season determines what she sells. Boasting of twenty years' experience selling fruits, she reiterates, *"Ti ojo o ba tete ro, asiko ti ojo ba ro o ni nkan to maa n wa nta, iru mango nsin, bi a se beere mango ni osu keta yii nsin, to ba di osu kerin osu karun mango ma kuro nle. Ojo to ma beere si ni ro, ojo to ma beere si ni je ki awon agbado yen wu lama bo si losu kaarun yen, a ro bi e meji ni osu kaarun yen, to ba di osu kefa lo ma ro lera lera lera"* meaning "if the rains don't come early, there are particular fruits that will be in season at such periods. As we are selling mangoes in this third month, by April, May, the rain will start and mangoes will go out of season, maize will starting coming …" She also added that climate change does not affect crops yield, that naturally crops yield more every three years. *"Ehn won so, odun meta meta ni nkan eleso fii maa n so, odun meta meta lo fii maa n pon"* meaning "crops yield every three years…"

Theme 6: Community Resilience and Adaptation

Talking on how interviewees cope with and adapt to climate change, Informant 3 said they have no choice than to cope with the extreme weather conditions. *"A ni choice ti weather ba ti wa nta a ma faramo be na ni."* Meaning "we don't have a choice, we'll cope with the weather the way it comes"

Informant 5 said we should all go back to tree planting. She advised, *"… plant a tree a day, ka gbin igi si awon ayika wa, wipe ta ba n gbin igi, a ma gbe orun, ka de je ki igi ma wa ni ayika wa …"* meaning "plant a tree a day, we should plant tree around us, the trees will serve as sheds in the hot weather and also traps the sun, we should also let tree be in our environment …"

Also, since most of the interviewees agreed that God is the One who orchestrated climate change, they believe that they do not have a choice than to accept the changes as they are, that they do not have any coping or adaptation mechanism.

IX. Interpretation and Discussion of Findings

RQ 1. What is the level of knowledge and understanding of climate change among residents of Oru and Obada communities in Ijebu North Local Government?

From the analysis of the interviews, most of the interviewees have never heard information about climate change from any media or communication platform, and there are no existing communication strategies employed to raise awareness about climate change in Oru and Obada in Ijebu North Local Government. Therefore the level of knowledge and understanding of climate change among the residents is very low or almost non-existent.

RQ 2. What is the role of local cultural beliefs, values, and practices in shaping climate change perceptions and communication among residents of Oru and Obada in Ijebu North Local Government?

From the data analysed, the residents believe that climate change is orchestrated by God. Some also believe that climate change is caused by man's sins, they might therefore find it hard to believe that man's activities caused climate change.

Therefore, these cultural beliefs will affect how they will accept climate change communication messages.

RQ 3. How effective are climate change messages by government agencies on residents of Oru and Obada in Ijebu North Local Government?

According to data gathered, all the interviewees said they have never heard any news or information about climate change. Although most of them agree that they listen to the radio, however they have never heard any communication message about climate change on radio, or any other media.

Therefore, climate change messages from government or other agencies have not reached residents of Ijebu North Local Government not to talk of measuring the effectiveness of the messages.

RQ 4. What role do socio-economic factors such as education, income level, and access to resources play in shaping attitudes and beliefs of residents of Oru and Obada towards climate change?

Only one of the interviewees has a good knowledge of climate change due to her level of education, she also knows the actions that need to be taken to adapt and reduce the adverse effects of climate change. Others, mostly uneducated, do not know what climate change is. Therefore, socio-economic factors like education play a significant role in shaping the attitudes and beliefs of residents in local communities towards climate change.

Challenges and opportunities for climate change communication in local communities

It was noted while reviewing communication strategies for climate change awareness globally that most of the communication strategies employed by organization to reach out to a global audience have shortcomings which include language barrier and technological barrier. Most people in the local communities can neither read nor write, so newsletters, reports, handbills, bulletins may not be appropriate means of communicating climate change issues with them.

Another challenge for climate change communication in local communities is that of technology. Most people in the local community do not have access to internet facilities, although they have mobile phones, they do not use internet enabled mobile phones. In fact when Informant 2 was asked if he gets messages about climate change on radio or on facebook, he responded that he does not use an internet enabled phone. He added that he used to listen to the radio on his phone but he stopped listening to radio because the only thing he hears when he switches on his radio is the huge amount of money our leaders embezzle or misappropriate, which makes him sad, so he stopped listening to radio.

However, there are opportunities which could be harnessed for climate change communication in local communities. Appropriate media can be used to reach local communities e.g radio messages in the local dialect of people in the community, community leaders and opinion leaders can also be educated and enlightened on what climate change is, how it affects us all and actions to take.

X. Conclusion

This study sought to assess the level of knowledge and understanding of climate change among residents of Oru and Obada communities in Ijebu North Local Government; it also explored the role of local cultural beliefs, values, and practices in shaping climate change perceptions and communication among residents of Oru and Obada in Ijebu North Local Government, as well as assess the effectiveness of climate change messages by government agencies on the residents. The study also examined the role of socio-economic factors such as education, income level, and access to resources in shaping attitudes and beliefs of residents of Oru and Obada towards climate change.

Findings reveal that there are no existing communication strategies employed to raise awareness about climate change in local communities like Oru and Obada in Ijebu North Local Government. It was also discovered that the residents of Oru and Obada are mostly unaware and not informed about climate change and its potential impacts, and that illiteracy and cultural beliefs were the major barriers to effective climate change knowledge and awareness in the local communities. Cultural beliefs also affects the local community residents' perceptions about climate change while socio-economic factors like education will likely shape their reception and views on climate change messages.

Implications for policy and practice:

The implication of the findings is that the Federal government, State government, Local Government, Non-governmental organisations, international organization and stakeholders have a long way to go in getting climate change messages to the local communities in Ogun State, Nigeria.

XI. Recommendations

It is recommended that climate change communication strategies for residents of local communities be worked on and tailored to fit local contexts and needs.

Also, community leaders, opinion leaders and community youths should be engaged in reaching out to community members with the climate change communication messages.

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NEEDS ANALYSIS IN ENGLISH FOR SPECIFIC PURPOSES (ESP) TO SECOND LANGUAGE PEDAGOGY IN NIGERIA: SETTING THE DEBATES

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Abstract

Needs Analysis in English for specific purpose (ESP) is a crucial aspect of designing effective language courses and materials for learners with specific goals and objectives with special focus on teaching English in a targeted manner to meet learner's particular needs such as English for business, or English for medical professions. Conducting a Needs Analysis helps educators identify learner's language requirements, their professional contexts, and the skills they need to develop. Needs Analysis endure that language instruction is tailored to meet the specific goals and requirements of learner's. By understanding learner's needs, educators can develop relevant materials and activities that directly address the linguistics and communicative demands of their professional field. ESP courses should reflect the authentic contexts in which learners will use English. Needs Analysis helps educators understand the specific communicative tasks and situations learners will encounter in their professional domains. This enables the design of materials and activities that stimulate real world scenarios, improving learner's language skills effectively, hence the need for this study. To this end, this paper tends to contribute to the debates on the Needs Analysis in the English for specific purpose (ESP) to second language pedagogy.

Keywords: Needs Analysis, English for Specific Purposes (ESP), Second Language Pedagogy, Niger

1.0 Introduction

We need to attempt a description of English for specific purpose (ESP) as taught in Nigeria. It is basically related to other branches of applied linguistics in respect of discourse analysis and Pragmatics. Also, it is related to Language Assessment and Communicative Language teaching while it has very few points of contact with second language Acquisition (SLA)

ESP studies are relevant in Nigeria since English plays the role of a second language (L2) in the country. It is the language that enjoys the prime of place among the hundreds of language in use in Nigeria. It is used in the domain for education, politics, law, administration, commerce, science and technology, military, arts and culture, sports, mass media etc.

The needs analysis also called a needs assessment is a method of figuring out what your students need to learn and what is the simplest and fastest way to teach this to them. Needs Analysis is part of building learner awareness and autonomy. Asking learners what they feel they need to practice is a good initial step. It can encourage them to start thinking about their learning and taking responsibility for it.

A needs analysis is an important and primary stage which helps to identify the learner's needs, desires and prerequisites. It further identifies their language background preferences in a bid to design successful and effective course. Needs Analysis guides the way by pointing you in the right direction, so you don't waste time teaching irrelevant things and can stick to the topics vocabulary and grammar that will actually lead to positive and observable results.

2.0 Aim and Objectives

The aim of this study is to explore the current practice of teaching English for Specific Purposes (ESP) in Nigeria, examining its relationship with other branches of applied linguistics and assessing the role of needs analysis in developing effective ESP programs for Nigerian learners. The objectives are to:

i. provide a descriptive analysis of English for Specific Purposes (ESP) as taught in Nigerian educational institutions;
ii. investigate the relationship between ESP and other branches of applied linguistics;
iii. examine the limited connection between ESP and Second Language Acquisition (SLA) in the Nigerian context;
iv. assess the relevance of needs analysis in identifying the specific linguistic and educational needs of Nigerian learners of ESP; and
v. evaluate the significance of ESP in various sectors of Nigerian society, such as education, politics, law, commerce, and science and technology.

METHODOLOGY

The methodology used in this study is Hsiao & Mikolaj's (2013) Integrated Scaffolding Strategies also known as Student-Centered Learning (Tang, 2023). Instructors facilitated learning rather than dictate it. It ensures that students engaged with materials that align with their professional goals. This learner-centered approach contrasts traditional models that might overlook the specific needs of Nigerian learners. Needs Analysis is central to the ESP framework and is used to identify the specific linguistic needs of learners in particular professional or academic settings. Since ESP aims to focus English teaching on specialized areas—such as medicine, law, or business - this analysis ensures that students acquire the language skills necessary for their field. The first step in conducting a Needs Analysis is to understand the context in which English is being used by learners. Since English functions as an L2 in Nigeria, it is essential to consider the different domains where learners operate, such as education, politics, science, law, and business. This contextual information helps identify the specific language requirements of different fields.

As mentioned in the text, the method involves determining the “target situation,” which refers to the actual communicative tasks the learners need to perform in their professional or academic contexts. For example, a needs analysis for students studying law was conducted and it focused on legal terminology, drafting contracts, or courtroom discourse. Information is gathered using tools like interviews and observations of learners' performance in real-life situations. In context, this it involved interviewing university student and lecturers to determine the gaps between their current proficiency and the specific demands of their work.

Besides identifying future needs, the study assessed learners’ current linguistic abilities. This involves testing their proficiency and understanding how well they currently perform in situations requiring English. This was done in order to gauge the distance between their current level and the target skills. By identifying the specific areas where learners struggle - in writing reports, giving presentations and negotiating contracts - the curriculum was tailored to include relevant language, grammar and vocabulary, while excluding irrelevant content.

3.0 An overview of English for Specific Purpose (ESP) and Applied linguistics

English for Specific Purposes (ESP) is one of the new research directions in English language pedagogy, but not yet popular in Nigeria. It is a revolution in linguistics as it is opposed to traditional mode of English language pedagogy which emphasizes language structure as an end in itself, rather than a means to an end. It debuted after World War II when there was need for a universal language, the bill to which the English rightly fits.

ESP is focused teaching, directing the teaching and learning of English language to specific or specialized purposes. As focused teaching, certain basic principles underlie it. Two of these principles that are very germane to the understanding of ESP are learner centeredness and scaffolding. In traditional pedagogy, the learner is considered passive, as the teacher or instructor takes the centre stage. The learner has no input whatsoever in what he or she is taught.

Student centered learning on the other hand put the students’ consideration above all other persons or considerations. This is certainly in contrast to traditional education which ignores or suppresses learner responsibility. As the pedagogy of English as a second or foreign language continues to suffer setback in non-native environments; leading to a decline in performance by learners, especially as large classes are taught by few teachers, it becomes difficult to concentrate on learners who are expected to be at the centre of second/foreign language English pedagogical process. The need arose to have a shift of focus in the pedagogical process where, rather than having teachers with the air of absolute authority, we could have facilitators, in continuous dialogue with learners who are allowed construct knowledge of their experiences in English. As facilitators, rather than teachers, instructors see learners as active participants in the learning process by giving consideration to learners attitude, linguistics disposition and progress. This is unlike the current practice of teachers readymade perceived needs of learner's in a one-cap- size fits all model, even before the beneficiaries are born! (Owolabi, 2021) This earlier principle is very basic to ESP.

If learning is to be effective, the learner as key in the learning process must be seriously considered, because *teacher who is attempting to teach without inspiring the pupil with a desire to learn is hammering on cold iron* (Horace Mann, cited by Kodali, 2023:41). Here lies the significance of the learner in the effective pedagogy of English as a second language. Therefore, it is very necessary to prioritize the learner for effective learning and enhanced performance in ELS/EFL pedagogical process. It is obvious from the above that the learner must come first before a curriculum can be prepared, as no readymade curriculum, by way of prescriptivism, can suit the varying needs of second/foreign language English learners who need English for diverse purposes. Although, learners may not be completely independent in the learning process, they are still very important in the process.

Scaffolding is, therefore, a process of providing some form of support for the learner to lean on. One of this is motivation which is "a constantly strong predictor of successful language learning" (Bradley and Bradley, 2004) that plays a very significant role. The facilitator encourages learners, cognizant of the fact that interlanguge, a learner's approximation to the target Language cannot be ignored.

Motivation can come inform of scaffolding, which is a way of providing contextual supports for meaning through the use of simplified language, teacher modeling, visuals and graphics, comparative learning and hands on learning (Ovado, Collier and Combs 2003). Scaffolding is not a permanent structure in ESL/EFL pedagogy and so as learners' progress and it is removed. Learners Independence and critical thinking improves as they develop ability to solve problems on their own.

Student centered learning as opposed to the traditional curriculum, teacher centered learning, confers on learners some degree of autonomy, with its numerous advantages. Therefore, before curriculums are designed for implementation, and textbooks are written for whatever level in second/foreign language English environments, learners attitude, linguistic disposition and progress must be accorded due consideration, unlike the current practice of perceived needs that are ready made for unknown beneficiaries.

3.1 **ESP Definition and Characteristics**

Since 1960s English for specific Purpose (ESP) has been progressively growing and has eventually come to play a major part in English Language Teaching (ELT) (Hutchinson and Waters, 1987). Tom Hutchinson and Alan Waters (1987 p:3) claim that the term ESP is based on designing courses to meet learners' need. But, it is hard to define or have a straight forward answer as a definition for the term ESP. this definition is very vague and rather full other variables such as "designing courses needs". Questions may rise, such as, what is "designing? And what are the students' needs? In other to have the full picture of the definition, I shall go over series of processes of designing these variables.

3.2 **ESP and Needs and Needs Analysis in Second Language Pedagogy**

Owolabi (2021) states that he suddenly discovered that the teaching and learning of the English language can take different forms, as a departure from traditional linguistics which merely looks at, and studies the structure of language, usually, for the sake of it. It is imperative to know that the ESP perspective to the pedagogy of English language in a non-native environment is captured in Hutchison and Waters' ESP MAUTRA: Tell me what you need English for and I will tell you the type of English that you need.

This study exposes one to English language use and abuse. The abuse is so heart breaking when one considers situations when postgraduate students, even in disciplines in the humanities continue to falter. Researches carried out by Owolabi (2021), it was discovered that quite a good number of students are not benefitting from the use of English course in our tertiary institutions as it is being currently taught. Owolabi's suggestion in that study was to engage in needs analysis to help materials production.

Owolabi (2021) concludes in one of his researches that error analysis in second/foreign language English pedagogical process is similar to needs analysis procedure in ESP for the purpose of focus teaching. This is so because error assists the teacher to identify the common language problems as learners' needs that will require specific attention for the purpose of attention and remediation (Owolabi, 2021). This is the nexus between error analysis and needs analysis. He further asserts that the way the teacher reacts to errors will to a large extent, determine the second language learners' progress in proficiency in the language.

As has been noted by Javis (2006), second Language English learning should be directed to "The needs of the learners and the context in which they work will ultimately determine the most appropriate tasks". Owolabi (2009) also highlighted the benefits of ESP approach to both the teachers and the learners. To him, the students will learn English more specifically to further their choosen career more effectively, and to teachers, the approach helps them to plan ahead to meet beneficiaries identified needs that are specific to their respective disciplines, through a needs analysis process. This will lead to teachers designing courses, providing relevant needs specific materials in collaboration with subject specialists, and finally the teachers acts as researchers and evaluators.

ESP is restrictive in nature and delimits the teaching/learning process to the needs and dictates of a particular profession or environment indeed, it is "an approach to language teaching in which all decisions as to content and methods are based on the learner's reason for learning" (Hutchinson and Waters, 1987). It is a directional teaching, unlike General English Language teaching which, according to Basturkmen (2006) "*tends to set out from a point towards an often indeterminate destination, setting sail through largely uncharted waters*" On the other hand. ESP aims to speed learners through to a known destination. ESP is the "Language and activities appropriate to particular disciplines, occupations and activities and required by particular learners".

Error analysis and needs analysis should form part of second/foreign language English teaching/learning process as a way of narrowing the teaching process to require specific, following the identification and classification of errors, instead of following an omnibus curriculum, with little benefits to second language English learners. There should be collaborative efforts between specialists in vocational and technical education and linguists, especially ESP specialists.

3.3 **Types of ESP**

English for specific purposes have types, branches and sub-branches. Dudley – Evans and St John (1998) classified ESP. The researcher paraphrases the figure of ESP classification. ESP is divided into two main parts, the first one is EAP which stands for English for Academic Purposes. The second part is EOP, which stands for English for Occupational Purposes. EAP in its turn is divided into four parts. The first part is English for Science and Technology. English for Medical Purposes, English for Legal purposes and English for Professional Purposes

The second part is EOP, is divided into two parts, the first one is English for Professional Purposes and the second is English for Vocational Purposes. Each branch of EOP is further divided into two other sub – branches. English for Professional Purposes is divided into English for Medical Purposes and English for Business Purposes. While English for Vocational Purposes is divided into Pre–vocational English and Vocational English. These branches and their sub-branches are very clear and does not need to be explained because every item means what it is called.

3.4 **Needs Analysis**

Needs Analysis has a vital role in the process of designing and carrying any language course, whether it is English for Specific Purpose (ESP) or general English course and its centrality has been acknowledged by several scholars and authors. According to Iwai et.al. (1999 viii) the term needs analysis generally refers to the activities that are involved in collecting information that will serve as the basis for developing a curriculum that will meet the needs of a particular group of students. According to Iwai et al. (1999:2), formal needs analysis is relatively new to the field of language teaching. However, informal needs analysis have been conducted by teachers in order to assess what language points their students needed to master. In fact, the reason why different approaches were born and then replaced by others is that teachers have intended to meet the needs of their students during their learning.

The role of Needs Analysis in any ESP course is indisputable. Needs Analysis is the first step in course designing and it provides validity and relevancy for all subsequent course design activities. Through Needs Analysis, as we know, has gone through many stages, with the publication of Munby's communicative syllabus Design in 1978, situations and functions were set written the frame of Needs Analysis. Munby's book introduced "communicative needs processor" which is the basis of Munby's approach to Needs Analysis. Based on Munby's work, the term Target situation Analysis was introduced. Present situation Analysis, Pedagogic Needs Analysis, Deficiency Analysis, Strategy Analysis or Learning Needs Analysis, Means Analysis, Register Analysis, Discourse Analysis and Genre Analysis.

Needs Analysis have been defined as the identification of difficulties and standard situation by observation of participants functioning in a target situation in conjunction with interviews and questionnaires. The overall aim of the Needs Analysis is the identification of elements. The most important point here is that Needs Analysis is for identifying the difficulties, the question here is what sort of difficulties is it?

4.0 **Contribution to the debates on Needs Analysis in the ESP to second language Pedagogy**

In my contribution to the debates on Needs Analysis in ESP to second language pedagogy, the following points should be considered viz:

Richards, Jack C. in his book <u>curriculum Development in Language</u> Teaching presents five purposes for the process of Need Analysis. These purposes reflect the importance of Needs Analysis and show how it is crucial in ESP course.

(1) To find out what language skills a learner needs in order to perform a particular role,

such as sales manager, tour guide or university students.

(2) To help determine if an existing course adequately addressed the needs of potential students. It is a fact that all the students (even beginners) are not having the same language level, this is called individual differences and must be considered by syllabus designer. Only the study of Needs Analysis helps with identifying the various levels of the learners. The syllabus be adequate for all the various levels of learners, the weak students as well as good ones.

(3) To determine which students from a group are most in need of training in particular language skills. This point concerns the teachers, who always support the syllabus with some papers they see may be of great help.

(4) To identify a gap between what students are able to do and what they need to be able to do. This point is essential because it gives rise to the notion that syllabus must not teach how to do things that you already know to do, instead it must teach the necessary skills for the present student at present time.

(5) To collect information about a particular problem learners are experiencing.

The learners must have at least slight knowledge about what they are to study so as to form a helpful background and helps in getting new information about the point. Analysis of what people do reveals nothing about what they have learnt. This is why ESP focuses not just on understanding or doing but also on what is to be learned in the learning of languages. In order to find the lessons required for the student, the learning conditions must first be understood as a task that is enjoyable, satisfactory, manageable, generative etc.

5.0 **Conclusion**

ESP refers to any English language lessons need used during academic or professional studies or in the teaching of English for a particular reason to non-English speakers learning English. In summary, it can be concluded that ESP develops students' knowledge of their future issues, be it academic (when they choose their study career) or work, compared to English for general purposes. ESP thus includes the academic English language. English has the definite objectives of making students aware of the special communication needs of their future university and professional communities, and I, as a lecturer, strongly support this view, according to Kay Wester, the well known ESP publishing professionals sector. Teachers who teach ESP must not be allowed to teach students who study at the faculty of Arts or Education, in order to concentrate on one domain and perfect it. Syllabus designers can put the process of Needs Analysis as the most important step to designing an ESP textbook. Researches must be carried out by teachers to find solutions for most common problem, whether in the process of Needs Analysis, in the syllabus or in their own performance.

Finally, there must be Needs Analysis for ESP in general and by the end of last semester; a student must choose certain field eg: economic English, Medical English, and English for Lawyers etc.

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