SAHEL INTERNATIONAL JOURNAL OF ADMINISTRATION AND GOVERNANCE
Volume 1 | Issue 1 | January-June 2026

Effect of Corporate Social Responsibility on Socio-Economic Development of Host Communities of Dangote Sugar Refinery Plc, Numan, Adamawa State, Nigeria

Markus Musa Barkindo[1], Aaron Dimas[2] and Helen Patrick[3]

Emails: markusmbarkindo@gmail.com[1] | aarondimas123@gmail.com[2] | helenpatrick323@gmail.com[3]

[1] Department of Accountancy, School of Administrative and Business Studies, Adamawa State Polytechnic, Yola, Nigeria
[2] Department of Social Development, School of Administrative and Business Studies, Adamawa State Polytechnic, Yola, Nigeria
[3] Department of Public Administration, School of Administrative and Business Studies, Adamawa State Polytechnic, Yola, Nigeria

Corresponding author: Markus Musa Barkindo (markusmbarkindo@gmail.com)

Abstract

This paper examined the effect of corporate social responsibility on socio-economic development of host communities of the Dangote Sugar Refinery Plc (Former Savannah Sugar Company Plc) in Numan local government area of Adamawa State. Corporate social responsibility (CSR) has become a critical mechanism through which organizations sustain legitimacy and build goodwill with host communities. This study examined host community awareness, perception, and satisfaction with the CSR programmes of the Dangote Sugar Refinery Plc. The study intends to solve the problems relating to social infrastructure, unemployment, environmental safety and impede economic growth and sustainability especially to the host communities. Relevant literature on corporate social responsibility on social economic development was reviewed. The descriptive survey design was adopted, and data were collected through structured questionnaires administered to 150 respondents, out of which 110 valid responses were analyzed using descriptive statistics, frequency, tables and percentage. The total population was 240, while 200 people from the host communities and 40 staff from Dangote Sugar Refinery Plc respectively, with the sample of 150 people and simple random sampling techniques was adopted for the study. Data for the study were collected by means of questionnaire (research instrument) which cover the period from the month of August, 2025 to August, 2026. Findings show that the highest community demand was for social amenities including electricity, potable water, good roads, and security. The study concludes that strategically implemented CSR initiatives can enhance both community development and corporate performance. The recommendations that the study recommends that the university should institutionalize community consultation to align CSR programmes with actual community priorities, and should develop systematic communication strategies to improve CSR visibility. Dangote Sugar Refinery Plc's management is also encouraged to integrate community involvement and participation into the selection, planning, and implementation of CSR programs to ensure their relevance and sustainability.

Keywords: *Corporate Social Responsibility, Socio-Economic Development, Host Communities, Dangote Sugar Refinery Plc., Numan*

1.0. Introduction

Corporate Social Responsibility (CSR) plays a vital role in complementing government efforts towards national growth. Corporate social responsibilities refer to those activities or programmes of organizations aim towards socio economic development of communities (Aaroson, 2023). Dangote Sugar Refinery Plc provides CSR initiatives focused on infrastructure, human capital, and economic empowerment in the host communities around Numan local government areas in Adamawa state. However, there are some challenges which includes gaps in engagement (inadequate community involvement in CSR planning and occasional friction over employment or land utilization), stakeholder relations (management continues to hold regular dialogue and reconciliation sessions with traditional rulers and youth leaders to align community needs with corporate interventions), Sustainable development is the bedrock of community development (Adewuyi, 2020). All efforts targeted at community development can be rendered futile or short-lived without sustainability. Thus, achieving sustainable community development is rested, to a great extent, on the sustainability of the various projects embarked on in the community. However, in Nigeria, a gap persists between corporate philanthropic spending and measurable, long-term economic development. Many host communities continue to face severe infrastructural deficits, environmental degradation, and high poverty rates despite substantial corporate presence. Corporate Social Responsibility bridges the gap between private business goals and public welfare. Companies drive host community growth by funding local infrastructure, creating jobs, supporting agriculture, and protecting the environment, which fosters long-term peace and mutual economic stability (Ebisi et al., 2025).

Socio-economic development in Nigeria is the continuous process of improving human wellbeing, raising standards, and growing the national economy. It combines economic wealth such gross domestic product and trade with social progress such as health, education and job security so that all citizens can live better lives. Economic development is the process of improving the financial well-being, health, and quality of life for people in a country through sustained growth and job creation (Akporiaye, 2023). Economic development is the process of improving a community's financial well-being and life quality through better jobs; reduce poverty, health, education, and infrastructure. Community development refers to a process of social action which the people of the community organize themselves for planning an action. Therefore, a working definition of community development in simple but broad terms is a process of developing and enhancing the ability to act collectively, taking collective action and the result of that action for improvement in a community in any or all realms: physical, environmental, cultural, social, political, and economic (Bartolome et al., 2022).

In Nigeria, the concept of corporate social responsibility was introduced by the multinational companies. Although a primitive form of it was then practiced by companies in Nigeria, however it was not recognized as the reporting methodology did not comply with the global reporting initiative (Ite, 2024). This is in addition to the fact that many Nigerians are ignorant of CSR hence, whenever a company does something for the society out of its normal cause of business, the company and its management are eulogized for being caring and philanthropic. With the increasing need to tackle societal challenges, to meet the expectations of the community they operate it and to fulfill the requirements by regulatory bodies to incorporate CSR activities in their annual reporting, CSR has become an integral part of the operations of corporations, with a department set up by companies to manage CSR. However due to lack of pressure groups from civil society and consumers, companies continue to see CSR as a financial burden and as such do not pay the desired attention to it. Community development connote a set of practice and methods which focuses on harnessing the innate abilities and potentials that exist in all human communities to become active agents in their own development Community Development has evolved with many different connotations (Latapí et al., 2022).

Today there are many academic and professional journals focusing on community development. The interest of researchers and practitioners from many different disciplines has contributed greatly to the growth and development of the field. CSR is relevant not only to the survival of the companies, but also the host communities. CSR influences the communities through volunteer assistance programs, thereby delivering sustainable values to the community and building loyalty for the company. Godonoga and Sporn, (2023) argue that forces like rising customers' expectations, changing employees' expectations, government legislations and pressure, changes of investors' interest in social criteria and business procurement practices motivates business to engage in a higher level of corporate social responsibility. CSR has therefore gained global attention because of its impact on corporations and the society. As argued by Aaroson, (2023) CSR means an action that appears to further some social good beyond the interest of the firm, and that which is required by law.

Corporate social responsibility entails that companies and cooperators must voluntarily design and implement actions to improve social welfare, economic condition, and the environment through strategically planned projects that ensure sustainable benefits for stakeholders and the community (Gupta & Choudhary, 2022). This involves planning of projects with the local communities. The organizations are not to impose programmes or projects without due consultation with the host communities. In other words, the tenets of corporate social responsibility require companies/organizations to expand their commitments beyond profit making and obeying the law to increasing the social and environmental sustainability. They have to show real commitment to the welfare of the people and development of the community.

2.0. Literature Review

2.1 Corporate Social Responsibility (CSR)

According to Adewuyi, (2020), the root of CSR has emerged since the Industrial Revolution era yet the subject is still been in a debatable position until today. It appears to be difficult for researchers to identify or share the common definition, principles or core areas of CSR. The idea of Corporate Social Responsibility (CSR) is that companies/organizations that do business in a particular area are under obligation to pay back or sow back into the community to allow the community to benefit from its activities. CSR, was previously referred to as social responsibility (SR) today it is been referred to as corporate responsibility (CR) over the years the concept has gained unprecedented momentum in business and public debate and has become a strategic issue crossing the departmental boundaries, and affecting the way in which a company operates her business. CSR is described as the voluntary commitment of businesses to act in a way that is appropriate, equitable, and responsible to the territory in which they carry out their operations (Bartolome et al., 2022). Corporate social responsibility is a multidimensional concept whose theoretical roots predate its formal articulation as a management doctrine.

Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large (Tawiah et al., 2024). Corporate Social Responsibility plays a vital role in complementing government efforts towards national growth. However, in Nigeria, a gap persists between corporate philanthropic spending and measurable, long-term economic development. Many host communities continue to face severe infrastructural deficits, environmental degradation, and high poverty rates despite substantial corporate presence. Corporate Social Responsibility bridges the gap between private business goals and public welfare. As a result of increasing population in Nigeria, there has been agitation for socio economic development in areas of

creation of employment opportunities and provision of basic amenities like water, electricity and road infrastructural development of the communities where the industries or organizations are situated. Organizations that do not have impacts on the host communities are often faced with hostile environment, especially, youth restlessness (Wirba, 2024).

McWilliams and Siegel, (2021) argues that the concept of corporate social responsibility is “actions that appear to further some social good beyond the interest of the firm and which is required by the law. CSR is what an organization does to influence the society in which it exists. This in effect means that in addition to their profit maximization objectives, organization also consider societal interest by considering the effect of their activities on their stakeholders- employee, consumers, suppliers and authorities. Indeed, this consideration can and do extend beyond their immediate communities as globalization has necessitated that consideration must be given to the effects of an organization’s activities beyond its immediate environment of business.

The work of Salifu, (2020) serves as a base to understand the practices of CSR. Salifu argued that the capacity of private firms to deliver promises and aspirations expected from them suffer from some fundamental problems. Problems such as subservience of CSR schemes to corporate objective, country and context specific issues, the failure to involve the beneficiary of the CSR, lack of human resources, technical managerial approaches of the company staff and the lack of CSR integrations into the larger development plans of the community. These challenges are similar to what obtains in the Nigeria context. Bartolome et al., (2022) argues that the sustainable practices of CSR by the responsible firms are significantly related to the company’s performance.

Chalal and Sharma, (2022) studied the socioeconomic contribution of CSR to local community residents, and, studied the causal factors of CSR and business operations. The slack resources theory postulates that the level of the resources that management devotes to CSR is determined by the availability of resources not required for other purposes. However, public outcries and empirical evidence have shown that voluntary compliance alone is insufficient to ensure socially responsible practices, especially in high-impact industries such as oil and gas where environmental degradation, social disruption, and economic inequality are common. External regulation and proactive stakeholder engagement are now seen as essential for achieving sustainable outcomes, including environmental protection and public welfare. In response, many firms have adopted sustainable marketing approaches that produce, promote, and reclaim environmentally responsible products, as part of broader strategies to meet sustainable development goals. This shift toward sustainability lies at the heart of corporate social responsibility (CSR). CSR, as applied in extractive industries, is progressively evaluated in terms of its ability to balance profitability with community wellbeing and environmental stewardship (Cramer and Heijden, 2024). The paper investigates the nature of the company’s CSR activities, their impact on the socio-economic development of the community, the challenges faced in implementation, and strategies for improvement.

2.2 The Role Corporate Social Responsibilities of Companies

According to Latapí et al., (2022) the role of corporate social responsibilities of companies towards building a sustainable community could be viewed as follows:

(i) Provision of Social Infrastructures: This is the platform by which social responsibilities of private institutions focus on investing their material and financial resources in providing tangible and intangible infrastructures that are needed in the host community for its survival and development such include access road, electricity, community health centres, market skills, recreational parks among others.

(ii) Education Empowerment: This involves the corporate organization empowering indigent members of the host community towards the response to curb poverty and development challenges of the communities comprehensively. Education empowerment could be scholarship empowerment to the brilliant children of the host community.

(iii) Environmental Responsibilities: This includes programmes or project aimed at improving and protecting the environment of the host community. This involves improvement of the environment, public utility expansion to environmental pollution, human beings and protection of plants including the host community.

(iv) Vocational Education Empowerment Programme: This is one of the avenues by which private institutions extend their social development responsibilities to the host communities. This involves the corporate organizations organising and sponsoring career trainings, skills acquisitions technology education among others.

2.3 Socio-Economic Development

Socio-economic development in Nigeria is the continuous process of improving human wellbeing, raising standards, and growing the national economy it combines economic wealth such gross domestic product and trade with social progress such as health, education and job security so that all citizens can live better lives. Socio-economic development in Nigeria also contribute to economic growth by increasing the country's production of goods and services, reducing reliance on crude oil, and expanding agriculture and small businesses, social well-being; by providing better access to schools, primary healthcare, clean water, and affordable housing and human capital; to training the workforce with modern skills to improve productivity and reduce poverty (Latif et al., 2024). Socio-economic development encompasses a range of actions aimed at improving people's living conditions by reducing poverty, creating jobs, and fostering social inclusion. In Nigeria, business organisations are expected by the host communities to be socially responsible to the environment they operate.

2.4 Legal and ethical Responsibility of Corporations

Corporations must operate within the legal framework set out by the government of the society they operate in. Chalal and Sharma, (2022) listed important components of responsibilities of corporations, which are; performing in a manner consistent with expectation of government and the law, complying with various local, state and federal laws, being a law abiding corporate citizen, a successful firm being defined as one who fulfils its legal obligation, and providing goods and services that meet at least the minimum legal requirement. The ethical responsibility represents norms about fairness and justice, expected by the society. Business ethics refers to implementing appropriate business policies and practices with regard to arguably controversial subjects such as corporate governance, insider trading, bribery, discrimination, corporate social responsibility, and fiduciary responsibilities. The law usually sets the tone for business ethics, providing a basic guideline that businesses can choose to follow to gain public approval. Tetrevova et al., (2021) defines ethics as "a set of rules and standards governing the conduct of members of a profession. It is a system moral rule of behavior. It includes both self-imposed moral values and expectation of its social environment."

3.0. Methodology

This paper employed the survey design. The population of study was 240 people, with 200 people of the host communities and 40 staff of Dangote Sugar Refinery Plc in Numan local government area of Adamawa State. The sample size is 150 using Turo Yamane formular.

$$\textit{Yamane sample-size formula: } n = N / [1 + N(e^2)]$$

$$n = 240 / [1 + 240(0.05^2)] = 150$$

The simple sampling technique was use. Questionnaires was administered to gather relevant information from respondents. In order to establish the validity of the instrument, it was subjected to validation by expert in the area of study to ensure that the items of the questionnaire adequately. Content validity was established through expert review by the researcher's supervisor, who assessed the instrument for clarity, relevance, and freedom from ambiguity. A pilot paper based on the test re-test method was adopted in confirming the effectiveness of the questionnaire in eliciting information required for the study. Reliability of research instrument is the degree to which the instrument consistently measures what it is supposed to measure. The items was on a 4 modified Likert Scale of Strongly Agree (SA), Agree (A), Disagree (D) & Strongly Disagree (SD). Data collected was analyzed from the respondent using tables, frequencies and percentages

4.0. Data Presentation, Analysis And Discussion Of Findings

This chapter focused mainly on data presentation and analysis generated from the responses from the respondents and findings. The questionnaires was administered personally to 130 people of the host community and 20 staff of Dangote Sugar Refinery Plc, Numan the target groups as the respondents. Some of the administered questionnaires completed was retrieved at the spot while others were collected at much a later date. Out of the 150 administered questionnaires, 110 was well completed and returned.

Table 4.1: Respondents' opinions on how CSR projects affect local employment, poverty reduction and infrastructure

Details	No of Respondents	Percentage (%)
Strongly agree	40	36.4
Agree	50	45.5
Disagree	15	13.6
Strongly disagree	5	4.5
Total	**110**	**100%**
Sources: Field Survey, Jul - Aug, 2026		

Table 4.1; above shows that 36.4% of the respondents have strongly agreed and 45.5% agreed on the CSR project affect local employment, poverty reduction and infrastructure, while 13.6% of the respondents have disagreed and 4.5% strongly disagreed with this subject matter. This analysis indicates that majority of the respondents are of the view that the CSR project affect local employment, poverty reduction and infrastructure.

Table 4.2: Respondent's opinion on the role of CSR in promoting socio-economic development?

Details	No of Respondents	Percentage (%)

Strongly agree	55	50
Agree	25	22.7
Disagree	20	18.2
Strongly disagree	10	9.1
Total	**110**	**100%**

Sources: *Field Survey, Jul - Aug, 2026*

Table 4.2; above shows that 50% of the respondents strongly agreed on the role of CSR in promoting socio-economic development, while 22.7% agreed with this position. On other hand, 18.2% disagreed with this position, while 9.1% strongly disagreed. This indicates that the majority of the respondents are of the view that therole of CSR in promoting socio-economic development.

5.0. Conclusion

Based on the field data collected from the host community members and some staff of Dangote Sugar Refinery Plc, the paper draws the following conclusions; primary data confirms that the company has contributed notably to employment, basic education, and healthcare interventions. However, critical infrastructural indicators like sustainable clean water frameworks, accessible roads network upgrades, and stable electricity remain insufficient compared to community expansion. Low local stakeholder participation that is project selection is heavily determined by management rather than being co-created with the host communities. Also community members acknowledge the positive economic ripples of the factory, primary data shows lingering friction regarding historic land confiscation, environmental externalities, and the employment of local youths in temporary or casual roles. The paper concludes that operational instability due to poor inclusion, which relate to the long-term sustainability of the company's multi-billion backward integration goals is inherently tied to its social license to operate.

6.0. Recommendations

Based on the findings of this study, the following recommendations have been made:

i. Management should adopt a more collaborative approach in the initiation and implementation of corporate social responsibility for socio-economic development.

ii. The host communities should be involved in CSR plan so that projects are designed according to the need of the community and ensure they cooperates with the companies operating in their area to achieve the objectives of CSR to its fullest sense.

iii. Institutionalize community-driven project planning. The company must shift away from a unilateral philanthropic model. Establish a joint corporate-community CSR committee consisting of community leaders, youth leaders and members of the host communities.

iv. Enhance local human capital and career pathways. Create structural workforce upskilling tracks. The company should expand its outgrower schemes by offering technical agricultural training and credit access to local farmers. Casual laborers should be given transoarent pathways to secure permanent technical roles inside the mill.

v. Expand critical infrastructure and mitigate environment impacts. To preserve its social license, the company must address the environmental footprint of large-scale sugar processing.

vi. Adopt a global memorandum of understanding framework. Ad-hoc donations fuel community mistrust and leave populations feeling department. Legally formalize corporate-community ties using a standard global memorandum of understanding framework.

References

Aaroson,S.A. (2023), "Corporate Responsibility in the Global Village" the British Role Model and the American Laggard, Business and Society Review, Vol. 108, No. 3, pp. 309-38.

Adewuyi, A. O. (2020), "Corporate Social Responsibility and Sustainable Community Development in Nigeria WAPCO a case from cement industry", Medwell Journals, Vol 6 Iss.4. Pp 522-535

Akporiaye, A. (2023). Evaluating the Effectiveness of Oil Companies' Corporate Social Rsponsibility (CSR). Extractive Industries and Society, 13, 101221. https://doi.org/10.1016/j.exis.2023.101221

Bartolome, M., Javier, M., Patrocinio, Z., & Luis, A. M. (2022). Corporate Social Responsibility: A Narrative Literature Review. https://doi.org/10.4018/978-1-6684- 6750-3.ch002

Chalal, H. and Sharma, R. D. (2022), "Implication of Corporate Social Responsibility on Marketing Performance: A Conceptual Framework'", Journal of Services Research Vol.6, No.1, pp. 205-216.

Cramer, J. J. and Heijden, A. (2024), "Making Sense of Corporate Social Responsibility' Journal of Business Ethics. pp. 55, 215-222

Ebisi, E. A., Guo, Y., & Soomro, Z. A. (2025). Environmental Conservation and Corporate Social Responsibility: Community Perceptions and Outcomes. Administrative Sciences, 15(7), 275. https://doi.org/10.3390/admsci15070275

Godonoga, A., & Sporn, B. (2023). The Conceptualisation of Socially Responsible Universities in Higher Education Research: A Systematic Literature Review. Studies in Higher Education, 48(3), 445–459. https://doi.org/10.1080/03075079.2022.2145462

Gupta, P., & Choudhary, A. (2022). Corporate Social Responsibilities Theories and related Approaches: A study. International Journal for Research Publication & Seminar, 10(4).

Ite, U. E. (2024). Multinationals and Corporate Social Responsibility in Developing Countries A case study of Nigeria. Corporate Social Responsibility and Environmental Management, Vol.1 1. No.l pp. 1 -11

Latapí Agudelo, M. A., Jóhannsdóttir, L., & Davídsdóttir, B. (2022). A literature Review of the History and Evolution of Corporate Social Responsibility. International Journal of Corporate Social Responsibility, 4(1), 1–23. https://doi.org/10.1186/s40991-018-0039

Mc Williams, A. and Siegel, D. (2021), "Corporate Social Responsibility: A Theory of the Firm Perspective", Academy of Management Review, Vol. 26 No 1 p.177

Salifu, M. (2020). Components, Theories and the Business case for Corporate Social Responsibility. International Journal of Business and Management Review, 8(2), 37–65.

Tawiah, V., Samson, N., & Jatau, U. (2024). Local Directors and Corporate Social Responsibility activities of Multinational Companies in Africa. Corporate Social Responsibility and Environmental Management. Advance online publication. https://doi.org/10.1002/csr.3028

Tetrevova, L., Vavra, J., & Munzarova, S. (2021). Communication of Socially Responsible activities by Higher Education Institutions. Sustainability, 13(2), 780. https://doi.org/10.3390/su13020780

Wirba, A. V. (2024). Corporate Social Responsibility (CSR): The Role of Government in Promoting CSR. Journal of the Knowledge Economy, 15, 7428–7454.