

# Social Philanthropy and Firm Performance in Covid- 19 Pandemic in Nigeria.

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**Abstract:** This paper concentrates on social philanthropy and firm performance in Covid-19 pandemic in Nigeria. Specifically, the study sets out to determine the nature of relationship that exists between grant allowance and firm market share and to examine the effect of philanthropic donation on firm revenue generation. The study employed survey research design. The population of this study comprised of Staff of the thirty-four registered and unregistered Firms that contributed immensely to cushion the effect of the pandemic on both its employee and other firms. The total population of this study was six hundred and twenty four (624). The sample size of one hundred and sixty (160) was arrived at using Taro Yamane formula (1964). Data were generated through structured questionnaire which is a primary data designed to elicit vital information from the respondents. The formulated hypotheses were tested using inferential statistical tools (Simple regression and Pearson Product Moment Correlation Coefficient). The results of the analyses revealed that there is a significant positive relationship between grant allowance and firm market share in Covid-19 pandemic in Nigeria ( $r=.730$ ,  $p<0.05$ ). Also, there is a statistical significant effect of philanthropic donation on revenue generation in Covid-19 pandemic in Nigeria ( $r=.720$ ,  $F=.016$ ,  $t=10.902$ ,  $p<0.05$ ). Therefore, we recommended that organizations with corporate reputation blended with philanthropic spirit and good financial standing in conjunction with government at all levels should provide all the necessary assistance to other firms that are not yet financially stable in order to create a solid foundation for them.

**Keywords:** Social philanthropy, philanthropic donation, revenue generation, grant allowance, firm market share, firm performance and Covid-19 pandemic.

## Introduction

The world has gone through a series of economic, social, political and health pandemics over the years. This is proven by the influx of 1918 influenza, Spanish flu, 1998 flood disaster, the 2003 SARS Epidemic, 2008 frost disaster, 2008 Great Wenchuan Earthquake in China, Ebola crisis and, recently the Covid-19 Pandemic which has led to over three(3m) million deaths, and infected over one twenty million (120,000,000) people worldwide as at March 17, 2021. These pandemics reveal that the corporate world is in a state of dilemma and needs to prepare to make more investments towards the environment in the future. Sequel to this development, corporate organizations are to make more provisions for donations to the health and environment in order to ensure business growth and sustainability. This corroborates with the work of Johnson et al(2011) which stated that Ford Motor offered free vehicles to fire and rescue agencies during wildfires in California while many pharmaceutical firms donated drugs and medical supplies. UPS also organized its delivery vans in relief and other response activities. In most developing countries also, individuals who are financially stable and philanthropic in nature have a long tradition of making charitable donations to enhance the economic well-being of people and to ameliorate their social vices such as poverty, hunger, and disease.

As a result of COVID-19 Pandemics, organizational resources have witnessed an unprecedented decline due to reduction in oil price revenue. In reality, the lockdowns and economic closures globally led to a fall in demand for oil and a slump in oil prices. Also considering Nigeria's heavy reliance on oil revenue, this has had a significant effect on budgeted income. This development immensely curtails the government spending power because of scarcity of both material and financial resources. The increasing resource scarcity makes firms much more strategic in their investment towards philanthropic donations and offering of grant

allowances (Liket & Maas, 2016). Firms voluntarily decide on which causes to invest monetarily in order to address certain social ills or misnomer in the society. This decision on which cause to support or advance may depend on the resultant reputational or economic effect on the firm (Liket & Maas, 2016). The quantum of donations made by firms differs significantly anchoring on their financial capability at the moment of need. The COVID-19 Pandemic has also led to the shutting down of many business activities and disruption of supply chains. Developing countries like Nigeria which are highly import sensitive or dependent experienced abrupt decline in revenue generation. Also, during the outbreak of the COVID-19 pandemic in Nigeria, numerous corporate organizations nevertheless, made highly visible commitment towards supporting the frantic and unflinching efforts of the government and health institutions in order to cushion the effect of this pandemic. However, these commitments were made by organizations with already existing corporate reputation blended with philanthropic spirit and good financial standing. (Oserem, Uwalomwa, Philip, Bukol, Osazuwa, Nosakhare, Osariemen, 2020).

Additionally, the Federal Government of Nigeria made frantic efforts and deployed three fundamental social interventions in response to the COVID-19 Pandemic to cushion its effect on the poor masses. First, it granted a three-month moratorium on government intervention loans. There are about two million (2m) of these small scale government intervention loans which provide petty traders, farmers and small scale businesses with access to capital (Sanni, 2020). Second was the expansion of the existing national cash transfer scheme which targets the poorest and most vulnerable households in Nigeria. Prior to the pandemic, about 2.6m households were registered on this and receive about ₦5,000 (\$13) monthly as social protection (cash transfer). However, with the growing incidence of the virus and the social distancing measures put in place, the government has added an additional one million households to the cash transfer scheme and beneficiaries will now receive a ₦20,000 (\$52) payout. This represents an advance payment, rather than an increase in the monthly stipend (Opejobi, 2020). Third was the provision of food assistance (palliatives) to vulnerable households across the country to ameliorate the effects of the lockdown which had led people to face increased hunger in many regions of the country. While these social interventions have had some effects, they have been hindered by corruption and opaque accountability (Dixit et al, 2020). The high rate of corruption is transparently observed in the mode of distribution of the allocated resources by the Federal Government. Nevertheless, we hopefully believe that the COVID-19 threat will eventually fade, as the Ebola, Zika, and Severe Acute Respiratory Syndrome (SARS) viruses have in recent years though, social-economic impact may still be felt long after virus fades away.

Despite the efforts made by the Federal Government and corporate organizations so far, the COVID-19 pandemic required more funding to ensure a comprehensive public health and clinical care response, as well as to bolster the economy and ensure value for money while minimizing fraud and corruption. In the opinions of (Ugwu, Adekola, Adewale, Fasoro, Oyesola, Heeney and Happi (2020), the severity of the COVID-19 outbreak in Nigeria has not been as serious as the outbreaks in Europe and North America and in other countries in Africa. Cent. (2016) stated that philanthropy as a social activity is a pervasive and charitable approach for public purposes around the world. Putnam (2000) posted the effects of engaging in philanthropy for individual donors as a social activity. He argued that strong social philanthropic donations are panaceas for business sustainability, firms' growth, improve market share, enhanced revenue generation, and greater competitive advantage. In the light of the above, this work examines the effect of social philanthropy on firm performance in covid-19 pandemic in Nigeria

### **Statement of the problem**

The rapid outbreak of the COVID-19 presents an alarming health crisis that the world is grappling with. In addition to the human impact, there is also significant economic, social, business and commercial impact being felt globally. As viruses know no borders, the impacts will continue to spread. The covid-19 pandemic has virtually affected all the sectors of the economy in Nigeria in particular and the whole world at large. This precipitated the need to adopt preventive measures by the Federal Government to quail its adverse effects on the economy. These preventive measures include regular hand washing, effective use of sanitizers, wearing of face masks, lockdowns and social distancing. Despite the aforementioned arrangements, there are still numerous factors which undermine government preventive efforts such as poor compliance attitude by some deviant individuals, selective lockdown, social media interference, misconceptions and myths, culture, stigmatization, fear, inadequate health facilities, and distrust for government.

The uncertainty occasioned by the COVID-19 pandemic has been devastating, many African Firms; the ugly situation has given rise to new entrepreneurial opportunities. The Corona virus (COVID-19) has also led to an unprecedented disruption in global supply chains indicated by sharp drop in global crude oil prices, and lock down which have disrupted economic activities and reduced revenue generation by firms. This reduction in revenue generation drastically curtailed government spending power. Also, Ndubuisi-Okolo(2020) posits that all businesses, irrespective of size, are facing serious challenges at present, especially those in the aviation, tourism and hospitality industries, with a real threat of significant declines in revenue, insolvencies and job losses in specific sectors. In view of this, sustaining business operations is particularly an uphill task for Small and Medium Enterprises (SMEs) at this critical period. Consequently upon these anomalies, people and firms worldwide are strongly committed to working harmoniously by supporting each other in every possible way via their philanthropic actions such as feeding the hungry, donating

medical equipments, information sharing, cash donations etc. In view of the foregoing, this study sets to determine the effect of social philanthropy on firm performance in COVID-19 Pandemic in Nigeria.

#### Objectives of the study

The main thrust of this paper is to determine the effect of social philanthropy on firm performance in covid-19 pandemic in Nigeria. The specific objectives are:

1. To determine the nature of relationship that exists between grant allowance and firm market share in covid-19 pandemic in Nigeria.
2. To examine the effect of philanthropic donation on firm revenue generation in covid-19 pandemic in Nigeria.

#### Research Questions

1. What is the nature of relationship that exists between grant allowance and firm market share in covid-19 pandemic in Nigeria?
2. To what extent does philanthropic donation affect revenue generation in covid-19 pandemic in Nigeria?

#### Research Hypotheses

H1: There is a positive significant relationship between grant allowance and firm market share in covid-19 pandemic in Nigeria.

H2: There is a positive significant effect of philanthropic donation on revenue generation in covid-19 pandemic in Nigeria.

## 2.1 Conceptual Clarifications

### 2.1.1 Social Philanthropy and Firm Performance

Philanthropic action or charity has been attributed to giving that includes not only the donation of relief materials or financial assistance but a wide range of products to help the underprivileged in the society (Shaikh&McLarney, 2005). They stated further that philanthropic action comprised of four major activities; the development of welfare trust to ameliorate poverty, increasing and promoting education, promotion of religion, and promotion of such initiatives that are beneficial to society. Neoclassical economic models conceptualize philanthropic giving as a private gift towards direct public assistance. This includes, for example, contributions to a good from which the giver will benefit (donation to research on a specific disease or contributions to the opera), “enlightened self-interest”, according to which a person may contribute to a public good in case they may consume it at some point, or a charitable bequest. In all of these cases, an individual maximizes a utility function that includes benefits to others in particular or to society in general. However, these models are not appropriate for public goods for which donors do not experience the impact of their gift. In that case, economists have posited the ‘warm glow’ utility from giving, a private benefit that results from the act of giving, regardless of whether the donor benefits directly from the gift (Andreoni 1988; 1989; 1990; 2006).

Andreoni(2006) argued that the simplest model outlined above justifies the outcome of philanthropism, most of the economic literature on charitable giving and philanthropy is apprehensive with the question of ‘crowding out:’ whether and how much government provision of public goods, financed through taxes, crowds out individual donations. Crowding out models assume that individuals are indifferent about the source of funding for the public good, which is not consistent with empirical experimental and survey data. In contrast, the ‘warm glow’ model recognizes and incorporates individual’s preferences to contribute directly, since they receive a private benefit called ‘warm glow’.

Visser (2008) argued that, in some developing countries, corporate social responsibility is most commonly associated with philanthropy or charity, that is, through corporate social investment in education, health, sports development, the environment, and other community services. Whether it is considered as corporate social responsibility or not, charity, donation, compensation, disaster relief is the most common philanthropic action of corporate organization or individual in the high tier of any society. Considering that philanthropic action is very popular especially in developing countries, this approach believed as the means of remedy to natural disaster and outbreak of diseases. This philanthropic action known in another term as corporate social stewardship, had been used formally in 1950s–1960s (Lawrence & Webber, 2014).

## 2.2 Theoretical Review

This work is anchored on Social Bases Theory of Philanthropy propounded by Emily (2017).The theory states that a charitable approach to the society is a purposeful activity by individuals, corporations and foundations which are a widespread activity. She also stated that scholarship on philanthropy is long-standing and can be traced to competing theorizations of gift-giving, wherein the gift has been framed as a case of altruism, self interest, or reciprocity. Although sociologists have entered into the study of

philanthropy more recently, they nevertheless have made important contributions to its understanding by drawing attention to the social bases of philanthropy.

However, sociological literature in social philanthropy theory primarily has focused on the benefits of volunteering, with less attention given to the consequences of the charitable giving of money. However, in their recent study, Smith & Davidson (2014) innovatively investigated the “paradox of generosity.” They found that individuals who give voluntarily and purposively of their resources to others are likely to report a far higher rate of happiness than those who do not practice generosity. In contrast, some sociologists have suggested that the benefits of philanthropy for donors should vary by the direction of gifts. Specifically, they have posited that the giving of money or time to mass-membership non-profits, such as the Sierra Club or the National Organization for Women, will fail to produce any positive consequences for donors. These scholars have hypothesized that these types of donations constitute one-shot checkbook philanthropy and so lack the repeated, face-to-face nature of other types of giving, with consequences for individual and collective wellbeing (Putnam 2000, Smith & Davidson 2014). Also, Hustinx&Lammertyn (2003) argues that others have expressed similar concerns about the growth of periodic philanthropic activities, in the form of employee volunteering or volunteerism, and its capacity to engender positive benefits for participants.

Clearly, future empirical research is needed to adjudicate between these competing viewpoints on the benefits of charitable giving for individual donors. Lainer-Vos (2014) and Adloff (2016) argue that sociologists have offered several critiques of the ability of theories of gift-giving which is noted as social bases for philanthropy to provide a comprehensive account of philanthropy. They have posited that theories of the gift are unable to account for how philanthropy has come to be ubiquitous in many places. This theory is imperative because it encourages philanthropic activities as it triggers positive interests in individuals, corporate organizations and government at large to contribute to a common cause that gears towards poverty alleviation and enhanced economic growth and development.

### **Empirical Review**

Aifuwa et al (2020) stated that the World Health Organization (WHO) has declared a global public health emergency on corona virus pandemic outbreak, and in response to this, nations affected by this scourge are enforcing strict measures to combat the virus. To understand the impact of these strict measures adopted by countries of the world, their study investigated the effect of Corona virus pandemic outbreak on the performance of private businesses in Nigeria. They adopted survey research design for the study. The data was sourced from copies of questionnaire administered online to owners of private businesses and financial analysts in Lagos State, Nigeria. The result from the linear regression revealed that Corona virus (COVID-19) Pandemic harms both the financial and non-financial performance of private businesses in Nigeria. The study concluded that that Corona virus (COVID-19) Pandemic harms firm performance in Nigeria.

Bolaji&Morenike (2021), analyses the financing of Nigeria’s health care system in response to the COVID-19 pandemic, using three key health care financing indicators: revenue collection, pooling, and purchasing. Nigeria projected that it would need US\$330 million to control its COVID-19 pandemic. However, it raised more than US\$560.52 million, of which more than 90% came from the private sectors and the donors/philanthropist communities. They stated further that the huge out-of-pocket expenses and the inability of most Nigerians to earn money is because of measures instituted to contain the pandemic, will likely cause many Nigerians to become economically impoverished by the COVID-19 pandemic. They stated further that COVID-19-related commodity procurement was least responsive to the needs of those most in need of care and support. The study recommended that government needs to institute several fiscal policies to improve funding of the health sector. These include taxing of Diaspora remittances; swapping debt reduction for domestic investment in health systems; auctioning or sale of emissions permits; trading of Special Drawing Rights; effective collection of corporate and business taxes; and addressing cross-border tax fraud, evasion, and avoidance

Ozili (2020), examined the COVID-19 situation in Nigeria, its effect on the economy and the structural causes that worsen the corona virus (COVID-19) crisis. His findings revealed that the economic downturn in Nigeria was triggered by a combination of declining oil price and spillovers from the COVID-19 outbreak, which not only led to a fall in the demand for oil products but also stopped economic activities from taking place when social distancing policies were enforced. The government responded to the crisis by providing financial assistance to businesses and a small number of households that were affected by the corona virus (COVID-19) outbreak.

Osereme et al (2020) re-examined the relationship between firm share price performance and Corporate Social Environmental Reporting (CSER) initiatives in the wake of a global health pandemic. Their study adopted comparative analysis, which was done between the contributions made by listed and non-listed firms in Nigeria towards the pandemic. A comparative analysis of the share price (SP) of listed companies was carried out before the announcement of the pandemic, after the announcement of the pandemic and COVID -19 contributions. It involved a sample of 70 listed firms in the Nigerian Stock Exchange over a five-year period (2013-



2017). The comparative analysis of contributions revealed that listed firms though fewer in number made significant contributions more than unlisted firms. The study unveiled a significant drop in share price after the announcement of a pandemic by the World Health Organization (WHO). Also that share price (SP) performance and firm size has a positive and significant relationship with CSER initiatives.

Ndubuisi-Okolo(2020) conducted study that dwelt heavily on pedagogy of opportunities and threats generated by Corona virus ((COVID-19) in Nigeria. It x-rayed both the positive and negative impacts of COVID-19 on Nigerian Business Environment. The positive impacts include: Family regeneration, cloud computing, business opportunities, adoption of new technologies while the negative impacts Include: Cyber hackers, business disruptions, fraudsters, health crisis, third party failures, constrained economic activities. Conclusively, government/enterprises urgently need to pay rapt attention to the physical and mental health of employees and develop appropriate strategies to provide a clean and safe working environment for their workers. Also, opportunities should be availed for training employees on the impending dangers of COVID-19 since most people are displaying lackadaisical attitude towards the pandemic.

Appel Mahmud, Donghong and Md. Morshadul Hasan (2021) examined Corporate Social Responsibility and Business Responses to Corona-virus (COVID-19) Pandemic. Grounded on stakeholder theory and corporate social responsibility (CSR) literature, the study attempts to explore business responses to the COVID-19 pandemic to support its vital stakeholders such as employees, customers, communities, and society as a whole through CSR initiatives. The study based on the contemporary phenomenon considered multi-items as data sources such as press releases, newsletters, and letters to shareholders, which were retrieved from the top 25 (the sample) corporations of the 100 Best Corporate Citizens-2019 (the population) in the United States' respective websites on the internet. The outcomes of this research reported that sampled companies show respect to their employees and focus on stewardship relations between corporations and customers and communities during the COVID-19 pandemic.

*Lois N Omaka-Amari1, Christian O Aleke1\*, Nkiru E Obande-Ogbuinya, Patricia C Ngwakwe1, Onyechi Nwankwo, and Eunice. N. Afoke(2020) studied Corona-virus (COVID-19) Pandemic in Nigeria: Preventive and Control Challenges within the First Two Months of Outbreak. The spread of the novel Corona-virus disease (COVID-19) has continued to rise in Nigeria despite all scientifically proven preventive measures. Factors militating against preventive and control efforts are yet to be addressed thus the study examined COVID-19 pandemic in Nigeria within the first two months of outbreak and its preventive and control challenges. Data from the daily updates of Nigeria Centre for Disease Control (NCDC) were graphically used to describe the trend of spread while facts from both verified online and print media reports on COVID-19 Pandemic were used to assess the challenges. Outcome of the study showed a steady increase in COVID-19 from one case on the 27<sup>th</sup> of February 2020 to 1,932 confirmed cases, 58 fatalities, and 319 discharged cases by 30th April 2020. COVID-19 preventive measures in the country include hand washing, use of sanitizers, wearing of face masks, lockdown and social distancing. Factors which undermined government preventive efforts were poor compliance attitude, selective lockdown, social media interference, misconceptions and myths, stigmatization, fear, inadequate health facilities, and distrust for government. It is recommended among others that there is need to ameliorate the adverse effects of COVID-19 misconceptions and myths through evidence-based campaigns using all sources of information.*

Mohamed Buheji, Dunya Ahmed (2020) investigated the Foresight of Corona-virus (COVID-19) Opportunities for a Better World. Throughout history, epidemics gave humans many challenges, but yet also brought with it many visible and hidden benefits and opportunities. The Corona-virus (COVID-19) is no except, and in this work, we foresight the opportunities for a better world that this deadly crisis brings to us. We review different opportunities that this virus and similar recent incidents, like SARS, brought to our life. Then, we pause to visualize through thinking strategically, redefining and reframing the hidden opportunities inside the (COVID-19) and similar coming problems and challenges. This "think outside of the box" paper created new pathways toward more inspiring economies that would address the key elements we started to miss in our development journey. Integrating future foresight into such problem-solving attempts could create for us more future-oriented informed generations that take participatory actions towards humans' complex challenges with high disposition and preparedness. The paper concludes with a proposed framework to exploit the opportunities of such a complex crisis while mitigating its risks. Further studies are highly recommended if we are to see solutions that could save humanity from the coming crisis.

The analysis of contributors from listed and non- listed firms in Nigeria towards COVID-19 reveal that only corporate organizations with adequate resource slack can make significant contributions to curtail the spread of the epidemic, hence evaluating Firm's performance in Covid-19 pandemic in Nigeria.

Table 1. Nigerian listed companies and their contributions towards COVID-19

S/N	CORPORATE FIRM IN NIGERIA	COVID-19 CONTRIBUTION (NAIRA)	MPS @ February 12, 2020 (A month before world pandemic was declared)	MPS @ March 19, 2020. (A week after WHO declared a pandemic)	% change in SP	Closing MPS after contributions to COVID 19 (April 9, 2020).	% change in SP after COVID -19 contribution
1	Dangote Industries Ltd (Cement)	N2,000,000,000	N170	N133.40	-21.5%	N117 (Dangote Cement)	-12.3%
2	BUA Sugar Refinery Ltd / Bua Cement	N1,000,000,000	N38.20	N36.20	-5.2%	N30.80	-14.9%
3	Guaranty Trust Bank Plc	N1,000,000,000	N29	N18.40	-36.5%	N18.85	+2.4%
4	United Bank for Africa	N1,000,000,000	N7.70	N5.35	-30.5%	N6.20	+15.8%
5	First Bank of Nigeria	N1,000,000,000	N5.90	N4.00	-32.2%	N4.70	+14.9%
6	Zenith Bank Plc	N1,000,000,000	N20.00	N13.5	-32.5%	N14.00	+3.7%
7	Access Bank Plc	N1,000,000,000	N9.60	N6.05	-36.9%	N6.65	+9.9%
8	Union Bank Plc	N500,000,000	N6.95	N7.20	+3.59%	N6.6	-8.3%
9	Sterling bank Plc	N250,000,000	N1.67	N0.99	-40.7%	N1.39	+40%
10	Stanbic IBTC	N250,000,000	N38.00	N28.25	-36.3%	N26	-8%
11	FCMB	N250,000,000	N1.90	N1.54	-18.9%	N1.71	+11%
12	Fidelity Bank Plc	N250,000,000	2.15	N1.78	-17.2%	N2.1	+18%
13	Eco Bank Plc	N250,000,000	N6.95	N4.96	-28.6%	N4.65	-6.25%
14	Wema Bank	100,000,000	0.69	N0.49	-28.9%	0.59	+20.4%
15	Unity Bank	100,000,000	0.57	N0.46	-19.3%	0.42	-8.69%

Adapted: CBN newsletter

Note: SP represents Share Price, MPS represents closing market price per share, % Change in SP represents change in SP before the declaration of pandemic (By World Health Organization) and after declaration of pandemic

Table 2. List of contributors not listed in the Nigeria Stock Exchange

S/N	CORPORATE FIRM IN NIGERIA	COVID-19 CONTRIBUTION (NAIRA)
1	Amperion Power Distribution Ltd	N1,000,000,000
2	Pacific Holding Ltd	N500,000,000
3	Standard Chartered Bank	N250,000,000
4	African Steel Mill Nigeria Ltd	N250,000,000
5	Multichoice Nigeria Ltd	N200,000,000

6	FSDH Merchant Bank	100,000,000
7	FBN Merchant Bank	100,000,000
8	Rand Merchant Bank	100,000,000
9	Coronation Merchant Bank	100,000,000
10	Sun Trust Bank	100,000,000
11	Providus Bank	100,000,000
12	Heritage Bank	100,00,000
13	Nova Merchant Bank	100,000,000
11	Providus Bank	100,000,000
14	Polaris Bank	100,000,000
15	Keystone Bank	100,000,000
16	Globus Bank	100,000,000
17	Titan Trust Bank	50,000,000
18	Takagro Chemicals Ltd	50,000,000
19	Handy Capital Ltd	5,000,000

State governments received several cash donations from Philanthropists (UNICEF, 2020). In addition, the Nigerian National Petroleum Corporation and other oil companies donated US\$30 million to the Nigeria Centre for Disease Control to improve patient care and purchase medical supplies and equipments. The Dangote Foundation built and equipped a laboratory in a public health institution in Kano to ramp up testing (Dangote, 2020). Health-sector allocation as a percentage of the total federal budget was less than 5% in 2020 (Budget, 2020), a health investment that is below the minimum of 15% annual health budget recommended by the African Heads of State (United Nations, 2001). The federal government estimated that US\$330 million would be needed to procure medical equipment, personal protective equipment, and medicines for control the COVID-19 pandemic in Nigeria (Dixit et al, 2020). In response to this critical need, funds were collected to control the COVID-19 outbreak at the national and sub-national levels in Nigeria, most of which were from external sources with limited domestic funding. Sources of funds were the Nigerian government, which approved US\$2.3 million for the management of corona-virus in the wake of the epidemic as its fiscal stimulus package in April 2020 (Adejumo, 2020; Ibrahim and Olasinde, 2020); it provided a N10 billion (US\$26.32 million) grant to Lagos State (Omilana, 2020) and N6.5 billion (US\$17.11 million) emergency intervention fund to the Nigeria Centre for Disease Control (Iroanusi, 2020) for COVID-19 response.

### 3.0 Methodology

This study adopted survey research design to examine the relationship between the independent variable (Social philanthropy) and dependent variable (Firm performance). The justification for the adoption of survey research design is that the work made use of primary data (questionnaire) to illicit timely and relevant information from the respondents. The population of this study comprised of Staff of the thirty-four registered and unregistered Firms that contributed immensely to cushion the effect of the pandemic on its employees. The total population of this study was six hundred and twenty four (624). The sample size of one hundred and sixty (160) was arrived at using Taro Yamane formula. Data were generated through structured questionnaire which is a primary data designed to elicit vital information from the respondents. The questionnaire was divided into two sections: Sections A and B respectively for proper administrative convenience. Section A contains questions that border on demographic characteristics of the respondents while section B contains questionnaire items which examined Social philanthropy and firm performance in COVID-19 Pandemic in Nigeria. The Cronbach Alpha Coefficient of 0.80 was obtained which indicates that the instrument (questionnaire) was reliable. The instrument was designed with 5 point likert scale rating of strongly agree (SA), Agree(A), Disagree(D), strongly disagree(SD) and undecided. The formulated hypotheses were tested using Pearson Product Moment Correlation Coefficient and simple regression analysis in order to ascertain the relationship between the dependent and independent variables.

#### 4.1 Data Presentation and Analyses

Out of two hundred and forty four copies of questionnaire distributed, only one hundred and eighty were returned in which twenty were found to be incorrectly filled. Therefore, one hundred and sixty copies of questionnaire were used for this analysis. The Pearson Product Moment Correlation Coefficient and simple regression analysis were utilized in analyzing the statistical data generated with

the aim of determining the extent of relationship that exists between grant allowance and firm market share and the effect of the philanthropic donation on revenue generation. This launched the researchers to the formulation of two specific objectives and two research hypotheses. The formulated hypotheses were tested thus:

### Test of Hypotheses

Two hypotheses were formulated for this study as stated below:

Ho<sub>1</sub>: There is a positive significant relationship between grant allowance and firm market share in COVID-19 Pandemic in Nigeria.

Ho<sub>2</sub>: There is a significant positive effect of philanthropic donation on revenue generation in COVID-19 Pandemic in Nigeria.

Hypothesis one was tested using Pearson Product Moment Correlation Coefficient and the computation result is shown below:

Table 1: Correlations output showing the extent of relationship that exists between grant allowance and firm market share.

### Correlations

		Grant Allowance	Market Share
Grant Allowance	Pearson Correlation	1	.730
	Sig. (2-tailed)		.000
	N	160	160
Market share	Pearson Correlation	.730	1
	Sig. (2-tailed)	.000	
	N	160	160

\*\*Correlation is significant at the 0.01 level (2-tailed)

Table 1 depicts the correlation analysis carried out on grant allowance (independent variable) and market share (dependent variable). From the table, it is shown that the correlation coefficient,  $r$  is .730 which depicts that there is a positive relationship between grant allowance and market share. Also shown in the table is the p-value which is .000, judging from the level of significance used (0.05), since the p-value is less than the given level of significance, it implies that the relationship observed from the analysis is statistically significant. This showcases that the increase in the independent variable brings about a commensurate increase in the dependent variable. Therefore, we reject the null hypothesis and accept the alternate hypothesis which states that there is a significant positive relationship between grant allowance and firm market share.

Table 2: Shows the simple regression analysis on the effect of philanthropic donation on revenue generation.

**Table 2a** **Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.720 <sup>a</sup>	.611	.006	2.79847

a. Predictors: (Constant), philanthropic donation

**Table 2b** **ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.124	1	.124	.016	.000 <sup>b</sup>
	Residual	1237.369	158	7.831		
	Total	1237.494	159			

a. Dependent Variable: Revenue generation

b. Predictors: (Constant), philanthropic donation

**Table 2c** **Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		



1	(Constant)	18.544	1.701		10.902	.000
	Leadership style	.011	.088	.720	.126	.900

a. Dependent Variable: Revenue generation  
Interpretations

Three tables appear in regression analysis: Model summary, Anova and coefficients. In the model summary, we look at R and R Square. The R stands for the correlation coefficient while the R Square represents the coefficient of determination. The Correlation Coefficient, R which is .720 from table 2a shows that there is a positive relationship between the variables. The R Square tells us that the percentage change in the dependent variable, (revenue generation) is caused by the change in the independent variable (philanthropic donation). Judging from the result in the model summary table, the R Square which is (.611) signifies that a 61% change in the dependent variable (revenue generation) is explained by changes in the independent variable (philanthropic donation). From the Anova Table, 2b, the sig. is the p-value (.000) which is less than 0.05 indicating that there is a statistical significant effect of philanthropic donation on revenue generation in COVID-19 Pandemic in Nigeria. The philanthropic donation coefficient of 0.720 indicates a positive significant effect of philanthropic donation on revenue generation which is statistically significant with  $t=10.902$ . This shows that null hypothesis is rejected while the alternate hypothesis is accepted accordingly. Therefore, there is a positive significant effect of philanthropic donation on revenue generation in COVID-19 Pandemic in Nigeria. This depicts that a philanthropic donation by corporate firms will cause a commensurate increase in the revenue generation.

## 5. 1 Summary of findings, Conclusion and Recommendations

From the analysis carried out, the following results were found:

1. There is a significant positive relationship between grant allowance and firm market share in Covid-19 pandemic in Nigeria ( $r=.730$ ,  $p<0.05$ ). This finding relates substantially with the finding of Aifuwa et al (2020) which posit that Corona virus (COVID-19) Pandemic harms firm performance in Nigeria. The indicators of firm performance include market share, profitability, volume of sales etc. This depicts that grant allowance determines the volume of production which leads to increase in market share. Another policy implication is that the increasing scarce resources make firms much more strategic in their investment towards philanthropic donations and offering of grant allowances (Liket & Maas, 2016). Firms voluntarily decide on which causes to invest monetarily in order to address certain social ills or misnomer in the society.
2. There is a statistical significant effect of philanthropic donation on revenue generation in Covid-19 pandemic in Nigeria ( $r=.720$ ,  $F=.016$ ,  $t=10.902$ ,  $p<0.05$ ). This finding is in sync with the findings of Putnam (2000) that posted the effects of engaging in philanthropy for individual donors as a social activity. He argued that strong social philanthropic donations are panaceas for business sustainability, firms' growth, improve market share, enhanced revenue generation, and greater competitive advantage. The policy implication is that the quantum of donations made by firms goes a long way to paving way for firms to embellish their resource capacity in order to be socially, economically and financially strong.

### Conclusion

The study revealed that there is a significant positive relationship between grant allowance and firm market share in Covid-19 pandemic in Nigeria and also that there is a statistical significant effect of philanthropic donation on revenue generation in Covid-19 pandemic in Nigeria. These revelations portray that social philanthropy affects firm performance in covid-19 pandemic in Nigeria.

### Policy Recommendations

1. Since grant allowance impacts positively on firms' market share, government needs to source out funds to support firms especially those firms that are still at infant stage. This will accord them the opportunity to grow financially and the resultant effect is increased productivity that will be beneficial to all and sundry.
2. Since philanthropic donations positively affects revenue generation, organizations with corporate reputation blended with philanthropic spirit and good financial standing in conjunction with government should provide all the necessary assistance to other firms that are not yet financially stable in order to create a solid foundation for them. This scenario implies that corporate organizations are to make more provisions for donations to the health and environment in order to ensure business growth and sustainability.

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