

Corporate Social Responsibility and Sustainable Business Practices in Oil-Bearing Communities of Akwa Ibom State, Nigeria. A Study of Ikot Abasi Local Government Area

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Abstract

This study examined the relationship between corporate social responsibility and sustainable business practices among oil companies in Ikot Abasi, Nigeria, with specific focus on environmental degradation, inadequate infrastructure, and limited access to essential services. Primary data were collected through a structured questionnaire administered to 390 respondents, with 338 successfully retrieved (86% response rate). Data were analysed using descriptive statistics and regression analysis. The findings revealed a very strong positive relationship between environmental degradation and sustainable business practices ($R = 0.875$, $R^2 = 0.766$), with environmental degradation having a statistically significant positive effect ($\beta = 0.832$, $p < 0.05$). Similarly, inadequate infrastructure demonstrated a very strong positive relationship with sustainable business practices ($R = 0.904$, $R^2 = 0.817$) and a significant positive effect ($\beta = 0.890$, $p < 0.05$). The majority of respondents acknowledged that environmental pollution (70.7%), infrastructure inadequacies (78.9%), and limited access to essential services significantly affect business operations. The study concluded that environmental degradation and infrastructure deficits are key drivers of sustainable business practices in the area. Recommendations include strengthening environmental regulations, investing in infrastructure development, enhancing CSR initiatives, promoting public-private partnerships, building local capacity, conducting regular environmental audits, and strengthening community engagement.

Key Words: Corporate Social Responsibility, Environmental Degradation, Sustainable Business Practices, Inadequate Infrastructure, Essential Services, Oil Companies, Ikot Abasi

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1. Introduction

Over the last few decades, corporate social responsibility has evolved to become more of a critical business approach, especially in those industries that have great consequences on local communities and their environments, like the oil and gas sector. It is increasingly seen as a fundamental principle of sustainable business behavior intended to improve community well-being while achieving ecological sustainability (Visser 2021). In Nigeria-an oil-rich nation- the convergence between CSR and sustainable approaches is very relevant due to its legacies of historical exploitation

and socio-environmental challenges faced by oil-extracting communities (Idemudia 2020). One of Nigeria's major oil-producing territories is Akwa Ibom State, which lies within the Niger Delta region. While oil production forms the economic base of this territory-Ikot Abasi Local Government Area falls under an ecosystem that faces severe environmental degradation, social dislocation, and economic marginalization due to extraction activities by oil firms (Nwankwo & Ibe, 2022).

While communities derive economic benefits from oil, many of them complain about insufficient investment in infrastructure, healthcare, and education, which then questions the credibility of CSR programs by oil firms-Akinola (2023). Although oil companies are involved in CSR activities, these do not meet the actual needs and expectations of the communities most times- Okezie and Nwankwo (2021). Instead of sustainable development that creates long-term benefits and empowerment for the local people, they often focus on philanthropy-Ite (2021). The difference calls out to take a critical look at how CSR and sustainable business practices are put into action within oil-extracting communities like Ikot Abasi. The focus of this study is on the linkage that exists between CSR and sustainable business practice within the confines of the Ikot Abasi Local Government Area. This study seeks to add some importance to the current debate concerning corporate accountability and community welfare in Nigeria's oil sector by exploring local perceptions of the CSR initiatives perceived to be carried out by oil companies and evaluating their impacts on sustainable development. Ultimately, it is hoped that findings from this research will provide insights that inform better practices and policies toward equitable sharing of benefits from oil extraction with communities hosting these resources.

1.1 Statement of the problem

The oil sector of Nigeria, especially Akwa Ibom State, is a paradox of wealth creation and poverty to the community. While the region is one of the major oil-producing areas in the country, many of the local communities, such as the ones in Ikot Abasi Local Government Area, continue to suffer from serious socio-economic issues such as environmental degradation, inadequate infrastructure, and lack of basic amenities (Idemudia, 2020). This situation raises critical questions about the effectiveness of Corporate Social Responsibility (CSR) initiatives implemented by oil companies operating in these areas. While CSR is intended to foster positive relationships between corporations and local communities, many studies indicate that the actual impact of these initiatives is often minimal or misaligned with community needs (Nwankwo Ibe, 2022). For example, CSR programs often consist of one time charitable events instead of sustained development programs that strengthen communities and root out systemic problems (Okezie Nwankwo, 2021). This lack of connection causes disillusionment and conflict within the community because it seems to them that the oil companies only care about making a profit and not about their well-being (Akinola, 2023).

Furthermore, sustainable practices in the oil industry are still very much unevenly applied, with most companies neglecting to incorporate environmental and social factors into the heart of their operations (Ite, 2021). The fact that CSR initiatives are not transparent and accountable makes the situation even worse, because communities do not have the capacity to measure CSR's effectiveness or hold companies responsible for what they have promised (Abaikpa & Joseph 2020, Visser, 2021). With these problems there must be a serious investigation of the correlation between CSR and sustainable business practices in Ikot Abasi. This study aims to explore how these practices are perceived by community members, their actual impact on local development, and the extent to which they contribute to sustainable outcomes. The purpose of this study is to shed light on these problems in hopes that the corporations will be able to use this knowledge to improve their practices and policies,

which in turn will improve the lives of those who live in the oil producing communities of Akwa Ibom State.

1.2 Objectives of the Study

The main purpose of this study is to examine the relationship between corporate social responsibility and sustainable business practices in Ikot Abasi. Specific objectives of this study include:

- To evaluate the relationship between environmental degradation and sustainable business practices in Ikot Abasi.
- To examine the relationship between inadequate infrastructure and sustainable business practices in Ikot Abasi.
- To assess the relationship between limited access to essential services and sustainable business practices in Ikot Abasi.

1.3 Research Questions

From the objectives of the study, the following research questions are raised to guide the study:

- To what extent is the relationship between environmental degradation and sustainable business practices in Ikot Abasi?
- What is the relationship between inadequate infrastructure and sustainable business practices in Ikot Abasi?
- What has been the relationship between limited access to essential services and sustainable business practices in Ikot Abasi?

1.4 Hypotheses

From the objectives of this study, the following research hypotheses are formulated to guide the study:

- Environmental degradation has no significant relationship with sustainable business practices in Ikot Abasi.
- There is no significant relationship between inadequate infrastructure and sustainable business practices in Ikot Abasi.
- There is no significant relationship between limited access to essential services and sustainable business practices in Ikot Abasi.

1.5 Significance of the Study

The study is significant as it seeks to bridge the gap between corporate practices and community needs, promoting a more sustainable and equitable approach to oil extraction in Nigeria. The insights gained from this study could have far-reaching implications for both the oil industry and the communities it impacts.

1.6 Scope of the Study

Unit scope: The study focused on the 169, 200 people of Ikot Abasi, Akwa Ibom State.

Content scope: The content scope of this study is confined to literature on corporate social responsibility and sustainable business practices. The explanatory variables of green human resource

management (independent variable) are environmental degradation, inadequate infrastructure and limited access to essential services.

Geographical scope: This study focused on the people of Ikot Abasi in Akwa Ibom State.

2. Review of Related Literature

2.1 Concept of Corporate Social Responsibility and Sustainable Business Practices

Corporate social responsibility (CSR) is the ethical duty of corporations to do good to society while doing as little harm as possible. Among oil-bearing communities in Akwa Ibom State, Nigeria, CSR refers to a set of activities that oil companies perform to help local development, improve community wellbeing, and reduce environmental damage from their operations. The oil business, especially in Nigeria, has been criticized for a historical indifference to local populations, which has triggered social unrest and environmental disaster. Good CSR strategies are thus vital to build improved relations between communities and industries, and to achieve sustainable development (Abaikpa, Etuk, Thomas & Udoh 2023). Oil companies' CSR projects in Akwa Ibom State frequently involve funding for infrastructure, education, health and environmental protection. For example, oil firms such as ExxonMobil have instituted a number of projects designed to enhance local quality of life and alleviate the socio-economic problems of the local population. But the success of such initiatives is often challenged, with many locals viewing them as insufficient or inappropriate to their real needs. It is this disconnect that underscores the need to involve local community members in the design and execution of CSR initiatives so that they are meaningful and effective (Idemudia, 2007).

Sustainable Business Practices, on the other hand, denote the policies and practices that firms use to achieve long-term survival while taking environmental, social and economic aspects into account. In the oil sector, sustainable practices involve not only compliance with environmental regulations but also proactive measures to reduce ecological footprints and promote social equity. This means using cleaner technologies, lowering emissions and making sure the profits of oil extraction are distributed fairly to local people (Okezie Nwankwo, 2021). The intersection of CSR and sustainable business is of special relevance in oil-bearing communities such as Ikot Abasi. Good CSR can be a means of enacting sustainable change by making a short-term difference in people's lives while also contributing to longer-term development objectives. CSR programmes, for instance, that promote education and skills development can 'empower local populations, allowing them to become more active participants in the economy and less reliant on oil revenue'. In addition, embedding sustainability into CSR instruments can further promote corporate accountability and transparency, which are essential for restoring trust between oil companies and local communities (Abaikpa Joseph 2020). In the context of communities calling for more corporate accountability, companies that care about sustainability will have better relationships and lower conflict (Visser, 2021). In short, CSR and sustainable business are closely related and are essential to the growth of oil-bearing communities in Akwa Ibom State. In this way, by syncing corporate goals and community needs and environmental sustainability, oil companies can make a contribution to development with substance, and do so in a socially responsible, environmentally sustainable manner. This strategy helps not only the communities but also makes the oil industry in the region more sustainable in the long term.

Environmental Degradation and Sustainable Business Practices

The dynamics between environmental destruction and sustainable business in oil-bearing communities are complex and layered. Oil search and extraction activities invariably have severe environmental consequences, which can damage local ecosystems and community livelihoods. Sustainable business is now one of the ways to counter these challenges by minimizing the negative impacts of these activities and fostering ecological and social sustainability in the long run. From deforestation and soil erosion to water contamination and air pollution, oil exploration, drilling and production can wreak environmental havoc. Across oil-producing communities, from the Niger Delta to elsewhere, common sources of environmental degradation include oil spills, gas flaring, and pipeline leaks (Osuoka Roderick, 2005). All these activities inject toxic substances into the environment, degrading water quality, soil fertility and the health of local plants and animals. According to UNEP (2011), the pollution caused by oil spills in these regions has long-term consequences, including loss of biodiversity and damage to the agricultural and fishing industries that sustain local economies.

Practices of sustainable business in the oil industry aim to keep the footprint of operations as small as possible, yet economic activities are still carried out in a responsible and ethical manner. Such practices range from the use of cleaner technologies and emission reduction to waste management improvement and community engagement to solve local environmental issues (Idemudia, 2014). If oil companies focus on sustainability, they can reduce the environmental impact of their operations, foster local development, and enhance their relationship with host communities. Among the most important technical linkages between environmental damage and sustainable business activity is pollution prevention and abatement. Oil companies are spending more and more on technologies and approaches designed to avoid, manage and remediate pollution. For instance, Shell has implemented a bioremediation technique in the Niger Delta, where microorganisms are used to break down oil pollutants in contaminated soils (UNEP, 2011). Not only do these practices help to repair degraded landscapes, but they also show that the company is living up to its sustainability and environmental stewardship promises.

Shifting from fossil fuels to renewable energy is an essential part of sustainable business practices that can help diminish environmental damage in oil-rich communities. Although oil companies are working mainly with non-renewable materials, many have started investing in solar, wind and other renewable projects in order to balance out their carbon footprint. Such projects also have the potential to replace the destructive behaviors of gas flaring that pollutes the air and emits greenhouse gases (Ezirim et al, 2010). In diversifying energy portfolios, oil companies can also mitigate their environmental footprint and facilitate the global transition to clean energy. For oil companies working in vulnerable ecosystems, water management is key. Water contamination from produced water, drilling fluids and chemical leaks can damage water bodies and local water resources, endangering aquatic life and human health (Nwankwo Ifeadi, 1988). Sustainable business practices in this context involve adopting water treatment technologies, reusing water, and reducing the discharge of harmful substances. For instance, TotalEnergies has developed systems to recycle and reuse produced water to reduce its environmental footprint (TotalEnergies, 2020). Practices like these are conducive to sustainable management of water resources, which are essential to the wellbeing of oil-bearing communities.

One of the most important features of sustainable business is working with local people to see what they need and to satisfy anxieties about environmental damage. Good community relations help oil companies earn the confidence of residents and allow companies to carry out CSR programs that contribute to local development (Idemudia, 2014). For instance, initiatives may include funding for education, healthcare, and infrastructure projects, as well as providing training and employment

opportunities for local residents (Abaikpa, Thomas, Daniel & Etuk 2023). Such initiatives not only reduce the negative social consequences of environmental damage, but also provide the basis for the long-term economic viability of oil-bearing communities. The embrace of cleaner, more efficient technologies is also a vital link between sustainable business practices and the mitigation of environmental harm. Technologies that decrease greenhouse gas emissions, reduce oil spills, and increase energy efficiency are necessary to reduce the ecological impact of oil extraction (Okonta Douglas, 2001). For instance, new drilling technologies, such as directional drilling and enhanced oil recovery (EOR), can reduce the impact on the land and decrease the likelihood of spills. Such practices foster environmental balance and maintain economic viability for oil production.

Compliance with national and international environmental laws and standards is a necessary, though not sufficient, condition for sustainable business. In oil-producing settlements, compliance with environmental regulations serves to mitigate the level of destruction by providing standards for pollution mitigation, waste management and habitat conservation (Frynas, 2009). 'When companies adhere to those regulations, they are showing that they are committed to ethical business practices, and that can improve their corporate image and minimize the possibility of facing legal penalties. In others, companies have embraced voluntary sustainability standards, such as the Global Reporting Initiative (GRI), to describe their environmental performance and increase transparency. The technical linkages between environmental damage and environmentally friendly business operations in oil-bearing communities illustrate the importance of responsible management of nature. Investing in pollution prevention, renewable energy, water management, community engagement, cleaner technologies and regulatory compliance means oil companies can minimize their environmental impact, while creating positive social and economic benefits for host communities. Sustainable practices are not merely a reaction to environmental problems, but also a strategic way for companies to ensure their license to operate, enhance stakeholder engagement and support wider sustainable development objectives.

Inadequate Infrastructure and Sustainable Business Practices

In oil-producing settlements, infrastructure is directly tied with economic activity, social development and environmental sustainability. Poor infrastructure, though, can stymie the realization of sustainable business practices, affecting the efficiency of oil activities as well as the quality of life of local populations. This review examines the technical connections between poor infrastructure and sustainable practice, and how advances in infrastructure can advance sustainability in oil-producing areas. Roads, pipelines, power lines and water systems are necessary to deliver oil effectively from the ground, through the refinery and to market. In oil-bearing communities, poorly developed or inadequate infrastructure can lead to challenges such as increased operational costs, delays, and safety risks. As Estache and Fay (2007) put it, infrastructure is essential to economic productivity and can stimulate growth by improving access to markets and resources. Without reliable infrastructure, oil companies may struggle to implement sustainable practices, as they are forced to rely on less efficient and potentially harmful alternatives.

Roads, bridges and ports are important infrastructure for transport in the oil industry, where equipment, raw materials and finished products need to be moved around. Lack of transport networks can cause logistics problems, excessive fuel use and carbon emissions. In the Niger Delta, for instance, badly maintained roads can slow down the movement of goods, resulting in increased fuel consumption and higher operational costs (Orogun, 2019). It is hard to imagine sustainable business models, from optimizing logistics to minimizing carbon footprints, without effective transport

systems. Better infrastructure, then, can add to sustainability by making supply chains more efficient and less environmentally damaging.

Energy, reliable and cheap, is a necessity for oil work and community building. In many oil-bearing communities, however, energy infrastructure is inadequate, leading to frequent power outages and reliance on diesel generators, which contribute to air pollution and greenhouse gas emissions (UNDP, 2015). Cleaner, more efficient energy plays a central role in sustainable business. Unless energy infrastructure is sufficient, oil companies can't get renewable projects up and running, or use technologies that reduce their environmental footprint. Local energy infrastructure investments, including solar power grids, can improve energy access for business and communities, leading to sustainable development in the long run (Idemudia, 2014).

Water pipes, treatment plants and distribution networks are essential not only to oil extraction processes but also to community needs. Water infrastructure too weak can be responsible for everything from water pollution and water waste to bad waste management. Oil searching and drilling can use enormous amounts of water, and if not properly equipped, water contamination from spills and chemical leaks is a danger Nwankwo Ifeadi, (1988). Efficient water management and treatment systems that minimize waste and minimize the environmental impact are sustainable business practice in this sense. A proper water infrastructure is a way to guarantee that industrial and community water needs are met sustainably. Social infrastructure, such as healthcare facilities, schools, and community centers, is also a key component of sustainable business practices. Lack of social infrastructure in oil-producing communities can result in poor health, low educational attainment and limited economic opportunity, for example, which can breed social unrest and compromise operations (Acheampong et al, 2020). By investing in social infrastructure, oil companies can contribute to community welfare and help to build a stable place to operate - which is also critical to long-term sustainability. For instance, building health clinics or supporting educational programs can improve the quality of life in these regions, fostering positive relationships between companies and local communities. Adequate waste-management facilities are needed to deal with the residues of oil extraction, including drilling mud, wastewater and solid waste. Inadequate waste management systems can lead to environmental degradation, including soil and water pollution, which in turn affects local agriculture and fishing industries (Frynas, 2009). Waste reduction, reuse and safe disposal are all part of sustainable business practices in oil-bearing communities. Developing proper environmental infrastructure, such as waste treatment plants, can help oil companies minimize their ecological footprint and comply with environmental regulations, thus contributing to broader sustainability goals.

Such investment in infrastructure is not only conducive to sustainable business but also to economic development in oil-bearing communities. Better infrastructure can in turn bring more investment, employment and greater economic stability to these areas (Estache Garsous, 2012). Sustainable business relies on a stable and strong economy, because it allows companies to pursue long-term plans, experiment and work with local people. For instance, when companies invest in local infrastructure projects, such as road improvements or power generation, they create the conditions necessary for sustainable growth and development. Clear environmental policies, safety standards and enforcement are part of the regulatory infrastructure needed to make sure that oil companies operate sustainably. In many oil-producing communities, feeble regulatory systems provide little oversight of environmental conduct, which can translate into rampant pollution and resource depletion (Idemudia, 2014). Building regulatory capacity means that business will be held to sustainable practices and will be responsible for any environmental or social footprint. It also provides incentives for businesses to develop cleaner technologies and embrace best practices that support sustainability goals. It is

precisely the technical connections between deficient infrastructure and sustainable business in oil-bearing communities that illustrate the role of infrastructure in achieving economic, environmental and social sustainability. Effective infrastructure—spanning transportation, energy, water, social, environmental, and regulatory domains—enables companies to implement sustainable practices, reduce environmental impacts, and contribute positively to local communities. By reducing the infrastructure deficit, it is possible to ease the problems of oil companies while encouraging the long-term sustainability of oil-producing areas.

Limited Access to Essential Services and Sustainable Business Practices

The lack of access to vital services - healthcare, education, water, electricity - also forces oil-producing companies in oil-bearing areas to participate in CSR. Frynas (2005) argues that CSR is essential to oil industry efforts to deal with socio-economic and environmental issues. Those firms that pay for these services are investing in community wellbeing, which can then lead to an enhanced social license to operate. Successful CSR programmes are seen as an integral part of sustainable business, keeping companies from just looking at profit, but also at social and environmental effects. Consistent with this idea, (Freeman 1984) stresses that companies should serve the interest of all their stakeholders, including residents. In oil-bearing areas, companies that invest in building infrastructure or providing basic services help bridge the gap left by government failures. It is regarded as a way of building amity and reducing friction. Thus, Idemudia (2007) describes how Shell's implementation of community projects in the Niger Delta became a way to build community goodwill and ensure sustainable operations. But the efficacy of such initiatives rests on openness, inclusivity and authentic engagement with community partners (Abaikpa & Joseph 2020).

Oil-bearing communities are frequently reliant on the extractive resources that come from their land, but this reliance can leave them without access to critical services unless it is practised sustainably. To close this gap, oil companies must adopt sustainable business practices that sustain local economies and infrastructure. By investing in the development of local capabilities - for example, technical training and support for local entrepreneurs - companies generate sustainable economic value in the long term, in support of sustainable business models (Idemudia 2007). The extraction processes in the oil and gas industry can lead to environmental degradation, which adversely affects local communities. Ogula (2012) writes of the health and livelihood impacts of pollution from oil spills and gas flaring. Sustainable business in this sense would mean establishing improved environmental management regimes, installing cleaner technologies, and investing in health care to mitigate harms. Companies that address these environmental and health challenges actively contribute to the sustainability of the communities they operate in.

2.2 Theoretical Review

This study is supported by stakeholder theory. The stakeholder theory was the work of Edward Freeman in 1984. The Theory contends that companies should not just pursue maximizing shareholder value but should also take account of the interests of all of its stakeholders. Stakeholders include anyone who can affect or is affected by the company's operations, such as employees, customers, suppliers, communities, governments, and the environment. In the case of oil-bearing communities, Stakeholder Theory holds that companies should be held accountable for meeting the interests and concerns of the local community, government and environmental interests. Because the activities of oil companies are frequently highly environmentally and socially impactful, it is important that such companies adopt a model of sustainable business that extends beyond profit-making to

encompass social and environmental responsibility. Freeman (1984) says that the firm owes responsibilities to a variety of stakeholders.

For oil-producing communities, that translates to companies mitigating the negative impacts of oil exploration, including environmental damage, loss of livelihoods and health hazards, through responsible CSR programs. This can mean investing in health care, education, infrastructure and clean energy. It is also common for oil companies to struggle with a balance between profit and social/environmental responsibility. Stakeholder Theory pushes companies to straddle the fence by practicing sustainable business that conserves the environment and enhances the quality of life in nearby communities. In doing so, businesses earn trust and social license to operate. Doing CSR, and being sustainable, is a way for companies to generate long-term value by mitigating risk, building reputation, and generating goodwill. Donaldson and Preston (1995) argued that stakeholder engagement undertaken responsibly is a source of competitive and sustainable advantage for businesses. To suggest that, investments in local infrastructure or skills training can build a more secure and prosperous community that serves the company and its operations. In oil-producing areas such as Nigeria's Niger Delta, companies like Shell and Chevron have been accused of causing environmental destruction.

Research by Idemudia (2007) revealed that anticipatory CSR actions, such as community development projects, could help build relationships with local stakeholders and mitigate conflict. Likewise, when businesses genuinely discuss with local leaders, they will have a better chance of learning the region's particular requirements, and thus design more effective and sustainable CSR programs (Thomas, Abaikpa, Daniel & Akpan 2024). In the mind of companies that don't take stakeholder interests into account, particularly in vulnerable areas such as oil-bearing communities, are more likely to be targets of operational disruption, protests or even lawsuits, he says. On the other hand, firms that commit to sustainability and engage with stakeholders in transparent ways can reduce these risks. The Stakeholder Theory offers a strong theoretical basis for explaining the connection between CSR and sustainable business in oil-bearing communities. It is all about making sure that those oil companies take a wider responsibility for the consequences of their actions on all people involved and that they practice in a way that is beneficial to local communities in the long term. By aligning corporate objectives with social and environmental needs, businesses can achieve sustainability and maintain positive relationships with the communities they operate in.

2.3 Empirical Review

Ogula (2012) studied the Niger Delta region, highlighting that environmental degradation from oil spills and gas flaring has led to loss of arable land, water pollution, and health hazards. Companies that adopt sustainable practices, such as cleaner production technologies, pollution control measures, and waste management systems, can mitigate these adverse effects. For example, Shell has invested in the use of less harmful chemicals and improved oil spill response measures to reduce its environmental footprint. Sustainable management, including environmental rehabilitation and biodiversity conservation, can also put ecosystems damaged by oil production back on a healthy path, (Idemudia (2014). Corporations engage in reforestation and clean-up projects as a clear sign of commitment to sustainability and corporate social responsibility. Idemudia's work showed that anticipatory environmental care could benefit company-community relations and lower the incidence of conflict. Amaeshi et al. (2016) contended that environmental sustainability as a CSR practice could be a source of competitive advantage. By adhering to global environmental standards and certifications, such as ISO 14001, oil companies in Nigeria can enhance their reputation, comply with

legal requirements, and improve operational efficiency. This is one way that CSR can be combined with sustainable business to solve the environmental question in oil communities.

Eweje (2006) averred that oil companies such as Chevron and Shell have been 'investing in infrastructure to service local communities'. Such projects include road building to facilitate transport, solar power supply and clean water facilities. Not only are these projects good for the community, but they also make business run more efficiently for the companies (Abaikpa 2025). In a similar study Abaikpa (2025) described lack of infrastructure as one of the biggest constraints to local economic development in the Niger Delta. Through public-private partnerships (PPPs), oil companies can help to build infrastructure for local business, education and healthcare. For instance, Total collaborated with the Nigerian government on building bridges and road networks, which have restored access and economic prospects in some regions. According to Visser (2008), CSR programs enable companies to establish closer relationships with local stakeholders through infrastructure projects, which are crucial for securing a social license to operate. Good infrastructure can increase local acceptance and reduce opposition to business activity.

Thomas, Abaikpa, Daniel & Akpan (2024) also registered the need for community ownership of infrastructure projects, with local participation, to make them sustainable in the long term. Frynas (2005) studied CSR in the oil sector and discovered that many oil companies make financial investments to enhance community welfare by supplying vital services. This includes setting up healthcare facilities, funding educational programs, and establishing water purification systems. Sustainable practices in this regard ensure that the benefits extend beyond short-term relief to long-term community development. For example, Chevron's health programs in the Niger Delta, including malaria prevention campaigns, have improved healthcare accessibility for many communities. Idemudia and Ite (2006) highlighted the need for CSR programs that tackle the underlying causes of service shortcomings. Educational development is encouraged by companies such as Shell, which have begun programs to train local teachers and offer scholarships. They also do health outreach work to eliminate the diseases of the area. Such activities are also consistent with sustainable business because they lead to a healthier, more educated workforce that can assist in local economic development.

Hilson (2012) talked about CSR as something more than philanthropy, calling for sustainable development approaches that provide long-term access to key services. Companies should concentrate on capacity-building efforts - things like training local doctors and nurses or funding small businesses - if they wanted to have a lasting impact, Hilson said. This approach takes the story away from simple charity towards making communities self-reliant, which is in keeping with the spirit of sustainability. Field research on CSR and sustainable business conduct in oil-producing communities emphasizes the urgent need for companies to alleviate environmental damage, infrastructure shortages and lack of access to key services. Tackling these issues through sustainable means not only benefits community wellbeing but also the reputation of companies, the avoidance of conflict and, ultimately, business success. Existing writing, such as that of Ogula, Idemudia and Frynas, shows how strategic CSR, in line with sustainable development, can be transformative in oil-producing areas.

3. Methodology

Research Design

The study employs a cross-sectional survey.

The Study Area

This study was conducted in Ikot Abasi local government area, Uyo, Akwa Ibom State.

Population

The target population of this study was drawn from the estimated 169,200 residents of Ikot Abasi.

Sample Size/Sampling Technique

Judgmental sampling technique was adopted for the study. Given the population, a sample size of 390 was derived using Taro Yamane's scientific formula which is given as:

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

$$n = \frac{169,200}{1 + 169,200(0.05)^2}$$

$$n = 390$$

Sources of Data Collection

Data for this research work were collected through two sources – primary and secondary sources. The primary data were obtained by the researcher through questionnaire administration. Secondary data were obtained from published reports, books, journals, newspapers, magazines and internet.

Instrument for Data Collection

The instrument for data collection was "Corporate Social Responsibility and Sustainable Business Practices in Oil-Bearing Communities Questionnaire (CSRSBPOCQ)". The questionnaire was divided into two sections. Section A and section B. Section A sought for information on the demographic data of the respondents. Section B was the main body of the questionnaire. This section contained twenty five (15) closed-ended questions using a five-point Likert' scale instrument through which the opinions of the respondents were expressed. Their responses were measured by means of a five-category rating system as follows:

SA	-	Strongly agree
A	-	Agree
D	-	Disagree
SD	-	Strongly disagree
U	-	Undecided

Methods of Data Analysis

Considering the nature of data collected, the statistical methods that adopted for data analysis were simple percentages and regression. The data were analyzed with the help of a statistical tool using SPSS.

4. Data Presentation, Analysis and Findings

4.1 Presentation of Data

This section is basically designed to present, analyse and interpret the primary data obtained via the questionnaire which was purposively administered to the respondents. These are shown in the Table 1.

Table: 1: Number of questionnaire copies administered and returned

		Percentage
Copies of Questionnaire Administered	390	
Copies of Questionnaire Retrieved	338	86.0
Copies of Questionnaire not Retrieved	52	14.0
Total		100

Source: Fieldwork, 2026

From the Table, out of 390 questionnaires administered, 338 representing 86% were successfully returned. 52 copies of questionnaire representing 14.0 % were not returned.

Table 2: Percentage analysis of the Responses on Environmental Degradation and Sustainable Business Practices

Dimensions	SA	A	U	D	SD	Total
Environmental degradation in Ikot Abasi influence the adoption of sustainable business practices by local oil companies.	132 (39.1%)	101 (29.9%)	16 (4.7%)	60 (17.8%)	29 (8.8%)	338 (100%)
In Ikot Abasi, the residents commonly experience land, water and air pollution due to oil extraction activities.	139 (41.1%)	100 (29.6%)	19 (5.6%)	38 (11.2%)	42 (12.4%)	338 (100%)
Sustainable business practices mitigate the effects of environmental degradation in the communities surrounding oil operations in Ikot Abasi.	115 (34.0%)	101 (29.9%)	28 (8.3%)	69 (20.4%)	25 (10.6%)	338 (100%)
Stakeholders in Ikot Abasi perceive the relationship between environmental degradation and corporate social responsibility initiatives undertaken by oil companies as positive.	97 (28.7%)	114 (33.7%)	28 (8.3%)	7 (2.2%)	22 (6.5%)	335 (100%)
Local government policies play important role in shaping the relationship between environmental degradation and the sustainable practices of oil businesses in Ikot Abasi.	125 (37.0%)	83 (24.6%)	19 (5.6%)	83 (24.6%)	28 (8.3%)	335 (100%)

Source: Researcher's computation (2026)

Table 2 presents the percentage analysis of respondents' opinions on environmental degradation and sustainable business practices in Ikot Abasi. The results indicate a generally positive perception that environmental degradation is associated with, and influences, the adoption of sustainable business practices among local oil companies. For the statement that environmental degradation in Ikot Abasi influences the adoption of sustainable business practices by local oil companies, 132 respondents (39.1%) strongly agreed and 101 respondents (29.9%) agreed, giving a combined agreement of 69.0%. Conversely, 60 respondents (17.8%) disagreed and 29 respondents (8.8%) strongly disagreed, while 16 respondents (4.7%) were undecided. This suggests that a substantial majority of respondents believe that environmental degradation serves as an important factor motivating oil companies to adopt sustainable business practices. Regarding the statement that residents in Ikot Abasi commonly experience land, water and air pollution due to oil extraction activities, 139 respondents (41.1%) strongly agreed and 100 respondents (29.6%) agreed, representing a combined 70.7% agreement. Only 11.2% disagreed and 12.4% strongly disagreed, while 5.6% were undecided. This indicates that environmental pollution associated with oil extraction is widely perceived by respondents as a significant challenge in the area. The third statement, which states that sustainable business practices mitigate the effects of environmental degradation in communities

surrounding oil operations in Ikot Abasi, received 115 (34.0%) responses for strongly agree and 101 (29.9%) for agree, resulting in 63.9% combined agreement. In contrast, 20.4% disagreed and 10.6% strongly disagreed, while 8.3% were undecided. The finding implies that most respondents perceive sustainable business practices as an effective mechanism for reducing or managing the adverse environmental consequences of oil operations.

On whether stakeholders in Ikot Abasi perceive the relationship between environmental degradation and corporate social responsibility initiatives undertaken by oil companies as positive, 97 respondents (28.7%) strongly agreed and 114 (33.7%) agreed, yielding a combined agreement of 62.4%. Meanwhile, 22.8% disagreed and 6.5% strongly disagreed, with 8.3% undecided. This suggests that, although there is a generally positive perception, a considerable proportion of respondents remain unconvinced about the effectiveness or adequacy of corporate social responsibility initiatives in addressing environmental degradation. Finally, concerning the role of local government policies in shaping the relationship between environmental degradation and the sustainable practices of oil businesses in Ikot Abasi, 125 respondents (37.0%) strongly agreed and 83 (24.6%) agreed, giving a combined agreement of 61.6%. Similarly, 24.6% disagreed and 8.3% strongly disagreed, while 5.6% were undecided. This indicates that respondents generally recognize local government policies as an important institutional factor influencing how oil businesses respond to environmental challenges through sustainable practices.

Table 3 Percentage analysis of the Responses on Inadequate Infrastructure and Sustainable Business Practices

Dimensions	SA	A	U	D	SD	Total
Inadequate transportation infrastructure affect the operational efficiency of oil companies in Ikot Abasi.	165 (48.8%)	102 (30.2%)	17 (5.0%)	34 (10.1%)	20 (5.9%)	338 (100%)
Local businesses in Ikot Abasi are negatively impacted by infrastructure inadequacies on their ability to implement sustainable practices.	125 (37.0%)	124 (36.7%)	30 (8.9%)	45 (13.3%)	14 (4.1%)	338 (100%)
Sustainable business practices among oil companies in Ikot Abasi are promoted by infrastructure improvements.	134 (39.6%)	115 (34.0%)	21 (6.2%)	44 (13.0%)	24 (7.1%)	338 (100%)
Lack of basic infrastructure (electricity, roads, etc.) influence the investment decisions of commercial businesses in Ikot Abasi.	113 (36.4%)	109 (32.2%)	16 (4.7%)	63 (18.6%)	27 (8.0%)	338 (100%)
Strategic efforts are being made by oil companies in Ikot Abasi to overcome infrastructure challenges related to sustainable business practices.	132 (39.1%)	129 (38.2%)	22 (6.5%)	34 (10.1%)	21 (6.2%)	338 (100%)

Source: Researcher's computation (2026)

Table 3 presents the percentage analysis of respondents' opinions on inadequate infrastructure and sustainable business practices in Ikot Abasi. The results generally indicate that inadequate infrastructure constitutes a significant constraint to the operational efficiency and adoption of sustainable business practices among oil companies and other businesses in the area. Regarding the statement that inadequate transportation infrastructure affects the operational efficiency of oil companies in Ikot Abasi, 165 respondents (48.8%) strongly agreed and 102 respondents (30.2%) agreed, representing a combined 78.9% agreement. In contrast, 10.1% disagreed and 5.9% strongly disagreed, while 5.0% were undecided. This suggests that the poor state of transportation infrastructure is widely perceived as a major factor affecting the efficiency of oil companies operating in Ikot Abasi. For the statement that local businesses in Ikot Abasi are negatively impacted by

infrastructure inadequacies in their ability to implement sustainable practices, 125 respondents (37.0%) strongly agreed and 124 (36.7%) agreed, giving a combined agreement of 73.7%. Conversely, 13.3% disagreed and 4.1% strongly disagreed, while 8.9% were undecided. The finding indicates that infrastructure deficiencies are perceived to constrain local businesses' capacity to adopt and maintain sustainable business practices. The third statement indicates that sustainable business practices among oil companies in Ikot Abasi are promoted by infrastructure improvements. A total of 134 respondents (39.6%) strongly agreed and 115 (34.0%) agreed, resulting in 73.6% combined agreement. Meanwhile, 13.0% disagreed and 7.1% strongly disagreed, with 6.2% undecided. This implies that respondents strongly recognize infrastructure development as an important condition for encouraging oil companies to implement sustainable business practices. On whether the lack of basic infrastructure, such as electricity and roads, influences the investment decisions of commercial businesses in Ikot Abasi, 113 respondents (36.4%) strongly agreed and 109 (32.2%) agreed, producing a combined agreement of 68.6%. On the other hand, 18.6% disagreed and 8.0% strongly disagreed, while 4.7% were undecided. This indicates that inadequate basic infrastructure is perceived as an important consideration affecting the investment decisions of businesses in the area. Finally, regarding whether strategic efforts are being made by oil companies in Ikot Abasi to overcome infrastructure challenges related to sustainable business practices, 132 respondents (39.1%) strongly agreed and 129 (38.2%) agreed, representing a combined 77.3% agreement. Only 10.1% disagreed and 6.2% strongly disagreed, while 6.5% were undecided. This suggests that respondents generally perceive oil companies as making deliberate efforts to address infrastructure-related challenges that may hinder sustainable business practices.

Table 4: Percentage analysis of the Responses on Limited Access to Essential Services and Sustainable Business Practices

Dimensions	SA	A	U	D	SD	Total
Limited access to healthcare services affect commercial businesses in Ikot Abasi.	115 (34.0%)	116 (34.3%)	41 (12.1%)	41 (12.1%)	25 (7.4%)	338(100%)
There are significant effects of inadequate access to clean water on the sustainable practices of local businesses in Ikot Abasi.	123 (36.4%)	117 (34.6%)	23 (6.8%)	46 (13.6%)	29 (8.6%)	338 (100%)
Limited access to educational services influence the long-term sustainability of business practices in Ikot Abasi.	160 (47.3%)	85 (25.1%)	31 (9.2%)	37 (10.9%)	25 (7.4%)	338 (100%)
Oil companies operating in Ikot Abasi are making effort to address the challenges posed by limited access to essential services in their corporate social responsibility initiatives.	153 (45.3%)	110 (32.5%)	27 (8.0%)	31 (9.2%)	17 (5.0%)	338 (100%)
Community partnerships play important role in improving access to essential services and promoting sustainable business practices in Ikot Abasi.	120 (35.5%)	135 (39.9%)	31 (9.2%)	34 (10.1%)	18 (5.3%)	338 (100%)

Source: Researcher's computation (2026)

Table 4 presents the percentage analysis of respondents' opinions on limited access to essential services and sustainable business practices in Ikot Abasi. The findings generally indicate that inadequate access to healthcare, clean water, and education constitutes an important challenge to the sustainability of businesses in the area. The results also show that respondents recognize the role of oil companies and community partnerships in addressing these challenges. Regarding the statement

that limited access to healthcare services affects commercial businesses in Ikot Abasi, 115 respondents (34.0%) strongly agreed and 116 respondents (34.3%) agreed, giving a combined agreement of 68.3%. In contrast, 12.1% disagreed and 7.4% strongly disagreed, while 12.1% were undecided. This suggests that a substantial majority of respondents believe that inadequate access to healthcare services has implications for the operations and sustainability of commercial businesses in the area. For the statement that inadequate access to clean water has significant effects on the sustainable practices of local businesses in Ikot Abasi, 123 respondents (36.4%) strongly agreed and 117 (34.6%) agreed, representing a combined 71.0% agreement. Conversely, 13.6% disagreed and 8.6% strongly disagreed, while 6.8% were undecided. This finding indicates that access to clean and reliable water is perceived as an important factor in the ability of local businesses to operate sustainably.

The third statement, which states that limited access to educational services influences the long-term sustainability of business practices in Ikot Abasi, received 160 (47.3%) responses for strongly agree and 85 (25.1%) for agree. Together, these responses represent 72.4% agreement. Meanwhile, 10.9% disagreed and 7.4% strongly disagreed, while 9.2% were undecided. This implies that respondents consider access to education particularly important for developing the knowledge, skills, and human capacity required to sustain business activities over the long term. Regarding the statement that oil companies operating in Ikot Abasi are making efforts to address challenges posed by limited access to essential services through their corporate social responsibility initiatives, 153 respondents (45.3%) strongly agreed and 110 (32.5%) agreed, producing a combined 77.8% agreement. Only 9.2% disagreed and 5.0% strongly disagreed, while 8.0% were undecided. This represents one of the strongest levels of agreement in the table and suggests that respondents generally recognize the contributions of oil companies' corporate social responsibility initiatives toward improving access to essential services. Finally, on whether community partnerships play an important role in improving access to essential services and promoting sustainable business practices in Ikot Abasi, 120 respondents (35.5%) strongly agreed and 135 (39.9%) agreed, resulting in a combined 75.4% agreement. In comparison, 10.1% disagreed and 5.3% strongly disagreed, while 9.2% were undecided. This indicates that respondents strongly acknowledge the importance of collaboration between businesses, communities, and other stakeholders in addressing deficiencies in essential services and promoting sustainable business practices.

4.2 Testing of Hypotheses

Hypothesis One:

Environmental degradation has no significant relationship with sustainable business practices in Ikot Abasi.

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.875 ^a	.766	.765	.37176

a. Predictors: (Constant), Environmental degradation

Table 6: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	151.872	1	151.872	1098.876	.000b
	Residual	46.438	336	.138		
	Total	198.310	337			

a. Dependent Variable: sustainable business

b. Predictors: (Constant), Environmental degradation

Table 7: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.684	.099		6.919	.000
	Environmental degradation	.832	.025	.875	33.149	.000

a. Dependent Variable: sustainable business

$$\text{Sustainable Business Practices} = 0.684 + 0.832(\text{Environmental Degradation})$$

The model produced an R-value of 0.875, indicating a very strong positive relationship between environmental degradation and sustainable business practices. The R^2 of 0.766 indicates that environmental degradation explains 76.6% of the variation in sustainable business practices among businesses in Ikot Abasi. The adjusted R^2 of 0.765 confirms that the explanatory power of the model remains very high after adjustment for the number of predictors. The remaining 23.4% of the variation in sustainable business practices is attributable to other factors not included in the model. The ANOVA result shows an F-statistic of 1098.876 with a p-value of 0.000, which is statistically significant at the 5% level. This indicates that the regression model is statistically significant and that environmental degradation significantly predicts sustainable business practices in Ikot Abasi. The coefficient of environmental degradation is 0.832, with a standard error of 0.025, standardized beta coefficient of 0.875, and a t-value of 33.149. The associated p-value is 0.000, which is less than the 0.05 significance level. This means that environmental degradation has a positive and statistically significant effect on sustainable business practices. The coefficient of 0.832 implies that a one-unit increase in environmental degradation is associated with an estimated 0.832-unit increase in sustainable business practices, holding other factors constant. The positive relationship may suggest that increasing environmental challenges create greater pressure or motivation for businesses to adopt sustainable practices aimed at mitigating environmental impacts.

Hypothesis Two

There is no significant relationship between inadequate infrastructure and sustainable business practices in Ikot Abasi.

Table 8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.904 ^a	.817	.817	.32830

a. Predictors: (Constant), inadequate infrastructure

Table 9: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	162.096	1	162.096	1503.973	.000 ^b
	Residual	36.214	336	.108		
	Total	198.310	337			

a. Dependent Variable: sustainable business

b. Predictors: (Constant), inadequate infrastructure

Table 10: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.490	.089		5.481	.000
	inadequate infrastructure	.890	.023	.904	38.781	.000

a. Dependent Variable: sustainable business

$$\text{Sustainable Business Practices} = 0.490 + 0.890(\text{Inadequate Infrastructure})$$

The model produced an R-value of 0.904, indicating a very strong positive relationship between inadequate infrastructure and sustainable business practices. The R^2 value of 0.817 indicates that inadequate infrastructure explains 81.7% of the variation in sustainable business practices among businesses in Ikot Abasi. The adjusted R^2 is also 0.817, confirming the high explanatory power of the model. The remaining 18.3% of the variation in sustainable business practices is explained by other factors not captured in the model. The ANOVA result shows an F-statistic of 1503.973 with a significance value of 0.000. Since the p-value is less than the 0.05 level of significance, the regression model is statistically significant. This indicates that inadequate infrastructure significantly predicts sustainable business practices in Ikot Abasi. The coefficient table shows that inadequate infrastructure has an unstandardized coefficient (B) of 0.890, a standard error of 0.023, a standardized beta coefficient of 0.904, and a t-value of 38.781. The p-value is 0.000, which is less than 0.05. Therefore, inadequate infrastructure has a positive and statistically significant effect on sustainable business practices. The coefficient of 0.890 implies that a one-unit increase in the measure of inadequate infrastructure is associated with an estimated 0.890-unit increase in sustainable business practices, based on the direction in which the variables were coded. The positive coefficient should therefore be interpreted in light of the questionnaire coding: it suggests that infrastructure challenges are strongly associated with the adoption or emphasis on sustainable business responses.

4.3 Discussion of Findings

The finding of the study revealed that environmental degradation has a positive and statistically significant effect on sustainable business practices among businesses in Ikot Abasi. The result showed a very strong positive relationship between environmental degradation and sustainable business practices, as indicated by an R-value of 0.875. The coefficient of determination (R^2) of 0.766 further revealed that environmental degradation explained 76.6% of the variation in sustainable business practices, while the adjusted R^2 of 0.765 confirmed the robustness of the model. This implies that environmental degradation is a major factor associated with the adoption of sustainable business practices among businesses operating within the study area, although 23.4% of the variation is

attributable to other factors not captured in the model. The finding can be explained by the increasing recognition that environmental degradation poses direct risks to business continuity and community welfare. In an oil-producing environment such as Ikot Abasi, activities associated with oil exploration and production may contribute to pollution of land and water resources, air pollution, ecosystem damage, and other environmental challenges. These conditions can compel businesses to incorporate environmental considerations into their operational decisions. Sustainable practices such as waste management, pollution control, environmental restoration, efficient resource utilization, cleaner production processes, and corporate social responsibility initiatives may therefore become more important as environmental challenges increase. In this context, environmental degradation may serve as a catalyst that encourages businesses to become more environmentally responsible. This is in agreement with the study and finding of Ogula (2012) who studied the Niger Delta region, highlighting that environmental degradation from oil spills and gas flaring has led to loss of arable land, water pollution, and health hazards. Companies that adopt sustainable practices, such as cleaner production technologies, pollution control measures, and waste management systems, can mitigate these adverse effects. For example, Shell has invested in the use of less harmful chemicals and improved oil spill response measures to reduce its environmental footprint. Sustainable management, including environmental rehabilitation and biodiversity conservation, can also put ecosystems damaged by oil production back on a healthy path. The model produced an R-value of 0.904, indicating a very strong positive relationship between inadequate infrastructure and sustainable business practices. The R^2 value of 0.817 indicates that inadequate infrastructure explains 81.7% of the variation in sustainable business practices among businesses in Ikot Abasi. The adjusted R^2 is also 0.817, confirming the high explanatory power of the model. The remaining 18.3% of the variation in sustainable business practices is explained by other factors not captured in the model. The ANOVA result shows an F-statistic of 1503.973 with a significance value of 0.000. Since the p-value is less than the 0.05 level of significance, the regression model is statistically significant. This indicates that inadequate infrastructure significantly predicts sustainable business practices in Ikot Abasi. The coefficient table shows that inadequate infrastructure has an unstandardized coefficient (B) of 0.890, a standard error of 0.023, a standardized beta coefficient of 0.904, and a t-value of 38.781. The p-value is 0.000, which is less than 0.05. Therefore, inadequate infrastructure has a positive and statistically significant effect on sustainable business practices. This collaborate with the study and finding of Amaeshi et al. (2016) who contended that environmental sustainability as a CSR practice could be a source of competitive advantage. By adhering to global environmental standards and certifications, such as ISO 14001, oil companies in Nigeria can enhance their reputation, comply with legal requirements, and improve operational efficiency. This is one way that CSR can be combined with sustainable business to solve the environmental question in oil communities.

5. Summary Of Findings, Conclusion and Recommendations

5.1 Summary of Findings

The study examined the relationship between corporate social responsibility and sustainable business practices in Ikot Abasi, with specific focus on environmental degradation, inadequate infrastructure, limited access to essential services, and their influence on sustainable business practices. The findings are summarized as follows:

1. Environmental Degradation and Sustainable Business Practices: The study established a very strong positive relationship between environmental degradation and sustainable business practices ($R = 0.875$). Environmental degradation explained 76.6% of the variation in sustainable business practices, with a statistically significant positive effect ($\beta = 0.832$, $p < 0.05$). The majority of respondents (69.0%) agreed that environmental degradation influences the adoption of sustainable practices by oil companies, indicating that growing environmental challenges motivate businesses to integrate sustainability measures.

2. Inadequate Infrastructure and Sustainable Business Practices: A very strong positive relationship was established between inadequate infrastructure and sustainable business practices ($R = 0.904$). Inadequate infrastructure accounted for 81.7% of the variation in sustainable business practices, with a statistically significant positive effect ($\beta = 0.890$, $p < 0.05$). Over 78% of respondents confirmed that transportation infrastructure inadequacies affect operational efficiency, highlighting infrastructure deficits as a critical constraint to business operations.

3. Limited Access to Essential Services: The study revealed that inadequate access to healthcare (68.3%), clean water (71.0%), and education (72.4%) significantly challenges business sustainability. However, 77.8% of respondents acknowledged oil companies' CSR efforts in addressing these challenges, while 75.4% recognized the importance of community partnerships in improving access to essential services and promoting sustainable business practices.

5.2 Conclusion

Based on the findings, the study concludes that:

1. Environmental degradation serves as a significant driver for the adoption of sustainable business practices among oil companies in Ikot Abasi. The increasing environmental challenges, including land, water, and air pollution, compel businesses to integrate sustainability measures into their operations to mitigate adverse impacts and ensure long-term viability.

2. Inadequate infrastructure, particularly in transportation, electricity, and roads, profoundly affects business operations and the implementation of sustainable practices. Despite these challenges, oil companies are making strategic efforts to overcome infrastructure deficits through alternative arrangements and investments.

3. Limited access to essential services (healthcare, clean water, and education) negatively impacts business sustainability. However, corporate social responsibility initiatives and community partnerships are playing important roles in addressing these deficiencies, thereby fostering an enabling environment for sustainable business operations.

4. The regression models confirmed that both environmental degradation and inadequate infrastructure have statistically significant positive relationships with sustainable business practices, indicating that these factors are key determinants of sustainability efforts in the study area. The very strong explanatory power of both models (76.6% and 81.7% respectively) underscores the critical importance of these variables in shaping business sustainability decisions.

5.3 Summary of Recommendations

Based on the findings and conclusions, the following recommendations are made:

1. Strengthen Environmental Regulations and Enforcement

Government regulatory agencies should enforce stricter environmental standards, monitoring mechanisms, and deterrent penalties to ensure oil companies adopt best practices in waste management, pollution control, and environmental restoration.

2. Invest in Critical Infrastructure Development

Federal and state governments, in collaboration with oil companies, should prioritize the development of roads, electricity, and other critical infrastructure in Ikot Abasi, guided by needs assessments and community consultations to enhance business operations and facilitate sustainable practices.

3. Expand Corporate Social Responsibility Initiatives

Oil companies should expand needs-driven and transparent CSR programmes to address gaps in healthcare, clean water access, education, and other essential services, aligning with community development priorities to build stronger relations and support long-term sustainability.

4. Foster Public-Private Partnerships and Local Capacity Building

Government agencies, oil companies, and communities should establish collaborative frameworks to address infrastructure and service challenges while investing in capacity-building programmes that empower local businesses and residents to participate actively in sustainability efforts.

5. Strengthen Community Engagement and Environmental Auditing

Oil companies should maintain continuous, participatory community engagement to understand needs and build trust, while conducting regular environmental audits with transparent disclosure of findings to regulators and host communities to ensure accountability and continuous improvement.

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