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CSR Compensation Cost and Firm Value in Nigeria: Mediating Effect of Liquidity, Moderating Effect of Firm Size, Firm Growth and Business Risk

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Abstract
This work ascertains the influence of the financial aspect of CSR compensation cost on firm value of consumer goods firms in Nigeria for the period 2019-2023. The population consist of the twenty listed consumer goods firms in Nigerian Exchange Group as of 31st October 2020. Seven of the firms were sampled, secondary data was gathered from the firm's annual reports for the period of five years. Linear regression was used with the aid of Statistical Package for Social Sciences software 26 to test the hypotheses. The result reveals that the financial aspect of CSR compensation cost has no constructive and substantial influence on Tobin's q, the mediating effect of financial aspect of CSR compensation cost has no constructive and substantial influence on liquidity, and the moderating effect of financial aspect of CSR compensation cost has no constructive and substantial influence on firm size, firm growth and business risk of the consumer goods firms. The study concludes that the financial aspect of CSR compensation cost does not have influence on the firm's value. The implication of the finding shows that the amount the firms invest on CSR activities for community and society sustainable development were not properly practice that was why the firm's financial aspect of CSR compensation cost have no constructive and substantial influence on the Tobin's q, liquidity, firm size, firm growth and business risk of the firms.

Keywords: : CSR Compensations Cost, Tobin's Q, Liquidity, Firm Size, Firm Growth and Business Risk.

1. Introduction

The notion of corporate social responsibilities holds that organizations have responsibilities to identifiable communities that are affected by or can affect the success of organization's goals, and it is the provision a corporation provides to their host and impacted communities where they operate their business. This denotes that a firm has responsibility to carry out its business happenings in the interest of humanity. The financial aspect of corporate social responsibility compensation cost of a firm to its host, impacted communities and to the society is very important to the firm.

While carrying out the company corporate social responsibilities, it is expected that the company management should bear in mind that a company's primary goal is to maximize its value. A business is established as an economic organization with a purpose, whether it is a short-term or long-term goal. A company's short-term target is to maximize profit by using all of the company's capital. A company's long-term purpose is to optimize firm's value, and it is regarded as the most important goal (Simorangki, 2019).

If the firm's valuation rises, shareholders' income rises as well, resulting in an upsurge in shareholder equity (Hidayat et al., 2019). In the opinion of Suparno and Djoko (2016), the main goals of each company are to maximize the firm's value for the sake of shareholders' equity, and the main goals of financial management are to maximize shareholders' wealth over a long term. Firm value optimization can be accomplished by introducing a financial value system in which one financial decision can influence other financial decisions, thus affecting the firm's value.

Similarly, Simorangki (2019), affirms that for investors, firm value is a crucial term since the public used it to assess a company's overall financial performance. Firm value is a variable that describes a firm's condition in order for investors to determine a company's success and profitability pattern. Implementing financial management functions helps to get the most out of any business.

Financial decisions have an impact on other decisions, while the influence on stock prices of business has an influence on the firm's valuation. It defines a company's ability to control its assets and is a crucial knowledge for all parties involved. A company's aim is to upsurge its value by growing the capital of its owners or shareholders. Investors' insight into the business and the firm's share price can be influenced by its capability to create and deliver value to stakeholders.

Environmental responsibilities are used to influence stakeholders' perceptions and behaviours (Ogunode & Adegbie, 2020). The notion of corporate social responsibility is a direct participation in community issues. Some scholars state that corporate social responsibility and environmental presentation have a substantial factor that influences a firm's value.

Corporate social responsibility is a cost borne by businesses for the harm they cause to their host, impacted communities and the society through their hazardous materials that are dangerous to the health of the people, also emissions that inevitably result in contamination and deterioration of the lands, rivers, even the forest of their host where their business operations take place.

The consumer goods firms' activities in Nigeria are harmful to the health of individuals, lands, plants, animals and rivers that are in the environment of their businesses. A number of fishes, plants and animals have died, also life's have been affected because of the hazardous pollution coming out from the activities of the firms in the process of their productions which the host and impacted communities, even the society may or may not be aware of.

This is because some of the firm's effluent consists of big heavy metals such as iron, zinc, lead, cadmium, manganese, cobalt and chromium. Also, some of the materials that the firms use in producing their products have physicochemical properties. When the surface water of the host and impacted communities' rivers receives effluent from the firm's production which has high turbidity that is beyond allowable restrictions in the wet and dry seasons, it prevents sufficient light from entering the water for photosynthesis.

Low pH that is lower than acceptable limits for drinkable water which are attributable to acid purgative agents in the effluent are caused by the physicochemical properties, low dissolved oxygen that is below the allowable restrictions that might affect aquatic life, and high biochemical oxygen demand that is also below the allowable range showing a high degree of organic pollution are also caused by the physicochemical properties which are very harmful to life's plants, fishes and animals.

Again, the firm's soil and water impact effluents might be biodegradable, however their presence in rivers and soil can lead to bioaccumulation of surplus metals in aquatic beings and potentially harm the environment, also their wastewater and odor issues, their heaps of refuse and poor waste management practice are also very harmful to lives, lands, rivers, plants, fishes and animals.

The case of Nigeria Flour Mills Plc in Calabar Cross River State, Nigeria is a testament to the fact. The Essien, Ekorinim, New Obutong, Ikot Ishie and Dimond communities complained of the wastewater and unbearable odor coming out from the plant of the Nigeria Flour Mills Plc., the firm environmental contamination has impacted the health and businesses of the host and impacted communities negatively.

In Uyo Akwa Ibom State, Nigeria, there is another testament to the environmental contamination and degradation by Champion Breweries Plc. The Aka-Offot Industrial Layout in Uyo Metropolis where the firm is situated is affected, other areas affected lies between longitudes 7055′′East-7056′′East and latitude 5000′′North-5001′′North has complained that the firm environmental impact effluent from the brewery is considered as the key source of contaminants in the surface water which has possible risks to aquatic life and health of the people in the communities.

While some communities in Ikeja, Lagos State, Nigeria where Flour Mills Nigeria Plc operations is carried out, complained that the firm contaminates their environment, air and water. Flour Mills Nigeria Plc emphasizes its commitment to sustainability and environmental responsibility; it aims to reduce its environmental footmark and promote positive social impacts in the communities where its business operations are situated.

But some of the firms has implemented various environmental sustainability initiatives to reduce their environmental impact, the firms also has environmental initiatives and schemes implemented in their companies policy which they use to take care of the financial aspect of their environmental issues to compensate their host and impacted communities, this compensation is a huge cost on the firms in the performance of their corporate social responsibilities.

Several corporations have made a commitment on corporate social responsibility problems by allocating more money to corporate social responsibility initiatives, while others have declined because they believe it would decrease their company's value, also the income of their owners or shareholders.

The explanations are on the debate about whether a firm should go beyond maximizing shareholder profit and take responsibility for its decisions by engaging in corporate social responsibility, also being accountable to the society.

A number of firms believe that the financial aspect of corporate social responsibility compensation costs is a problem when pursuing firm’s goals and it affects the performance of firms and their values negatively. While some believe that when they are responsible for being environmentally friendly and also carry out corporate social responsibilities in their hosts and impacted environment, it will impact their firm value thereby enhance their financial performance.

The grants, donations, sponsorships, scholarships and charitable gifts provided by the firms constitute the corporate social responsibility compensation cost used in this study.

The general objective of this study is to ascertain the influence of financial aspect of corporate social responsibility (CSR) compensation cost on firm value of consumer goods firms in Nigeria: The mediating effect of liquidity, moderating effect of firm size, firm growth and business risk. The specific objectives are to:

i. ascertain the influence of financial aspect of CSR compensation cost on Tobin’s q of consumer goods firms in Nigeria.

ii. ascertain the mediating effect of liquidity on financial aspect of CSR compensation cost of consumer goods firms in Nigeria.
iii. evaluate the moderating effect of financial aspect of CSR compensation cost on firm size of consumer goods firms in Nigeria.
iv. determine the moderating effect of financial aspect of CSR compensation cost on firm growth of consumer goods firms in Nigeria.
v. assess the moderating effect of financial aspect of CSR compensation cost on business risk of consumer goods firms in Nigeria.

2. Literature Review and Hypotheses Development

Empirical Review

The empirical review evaluates the influence of corporate social responsibility compensation cost on Tobin's q, liquidity, firm size, firm growth, and business Risk of listed consumer goods firms in Nigeria. A study carried out by Bukit et al (2018) ascertains the influence of environmental performance, firm profitability and asset utilization on company value spanning for 3 years (2013-2015). The study employed multiple regression analysis. The finding shows that firm profitability and Asset utilization has a positive and significant influence on company value and intensive monitoring managers tend to have high firm value when the companies have high environmental performance, or high profitability and high asset utilization.

Likewise, a study conducted by Kornom-Gbaraba and Aenan (2020) examines the impact of environmental cost on financial performance of international oil firms in Rivers State. The study employed an analytic descriptive survey method, the sample comprises 604 workers in Rivers State, Nigeria and used purposive sampling technique of a structured questionnaire. The data was analyzed with the aid of mean (X) and Z-test, the mean (X) was employed to respond to the questions, and the Z-test was employed to test the hypotheses at 5% significance level. The finding shows that the staff of SPDC and Agip agreed that environmental cost proxies by pollution cost and compensation cost has an impact on the financial performance of international oil firms in Rivers State.

Isiaka et al (2025) assesses the impact of discretionary accrual earnings management on firm value of listed consumer goods firms in Nigeria. The population comprises 21 consumer goods firms listed in NGX as of 31st December 2022, covering the period (2013-2022). The sample comprises 16 firms, employing purposive sampling techniques and using a longitudinal panel research design. The data were collected from the annual financial reports of the firms. The study used multiple regression analysis to analyze the data. The findings show a positive and significant impact of discretionary accrual earnings management on the firm value of listed consumer goods firms in Nigeria.

Again, Chukwu et al., (2020b) ascertains if a relationship occurs between provision for environmental liability and earnings persistence of oil companies in Nigeria. Also, assesses if a relationship occurs between vicissitudes in provision for environmental liability and earnings quality. The study employed ex-post facto design, data was sourced from 4 oil firms spanning from the period (2012-2018) and analyzed using ordinary least square (OLS) regression and robust standard errors. The finding shows a significant link between environmental liability provisions and earnings persistence and found an insignificant relationship between changes in these provisions and earnings quality.

Similarly, Onyekachi (2020) evaluates the influence of ecological investments on earnings of registered oil and gas companies in the Nigerian economy covering ten years (2008-2017). The study adopts ex-post facto research design, employs judgmental sampling techniques to select 5 companies incorporated before 1970, the data were gathered from the yearly report and accounts of the five selected companies. The data was analyzed using regression method, the finding shows that company's ecological investments associate significantly with their earnings.

A study conducted by Idamoyibo (2021) determines the link among environmental accounting reporting standard index, return on asset, liquidity and Tobin's q, and link among leverage and Tobin's q of the designated oil and gas companies in Nigeria covering 2009-2019. The study employs a secondary data collection, a sample size of 6 of the oil and gas companies were used, the data were gathered from the yearly report and accounts of the registered oil and gas companies. The work employed panel and pooled data, with aid of ordinary least square, and multiple linear regression in analyzing the data. The finding shows a substantial link between LQT and TOQ. Yet, it found no substantial link between LVG and TOQ.

In the same vein, a study conducted by Omesi and Berembo (2017) examines the association among social accounting and the return on asset of registered oil and gas companies in Nigeria for the period (2012-2017). The data were gathered from the twelve-monthly report and accounts of the firms, available on their websites and from the NGX. The twelve-monthly reports comprise the yearly budgets, yearly sustainability reports of the firms, and yearly returns computed for the NGX for the period under study. The data were analyzed using regression analysis. The finding shows no substantial link amid social accounting and performance happenings of oil and gas companies in Nigeria.

Also, Idamoyibo and chukwu (2024) evaluates the connection amongst human capital quality and environmental expenditures. The study used secondary data that were obtained from the annual financial reports of the firms from 2004-2019, employed cross sectional panel with aid of regression analysis to test the hypotheses. The finding shows that training budgets have constructive and inconsequential connection with environmental expenditures, while Tobin's q has constructive and substantial connection with environmental expenditures.

Yet, a study carried out by Egbunike and Tarilaye (2017) examines the relationship amid firm's specific attributes and voluntary environmental disclosure: evidence from quoted production firms in Nigeria. The data were obtained from the yearly reports and accounts of the firms covering 2011-2015. The data was analysis using regression analyses. The study found a constructive connection amid environmental disclosure, firm size, leverage, earnings per share and governance of the production firms in Nigeria.

A study conducted by Chukwu et al (2020a) ascertains whether decommissioning and environmental restoration estimations affect equity valuation of oil companies in Nigeria, and whether vicissitudes in the environmental liability estimations value are pertinent in Nigeria. The work used data from 4 registered oil firms under NGX that projects and reports decommissioning liabilities in their yearly financial reports and accounts between 2012 and 2018. The study employed regression analysis to analyze the data. The finding shows that investors in Nigeria's oil companies value environmental liability estimations negatively, and changes in decommissioning and restoration estimations are not related with the differences in the market value of oil the companies in Nigeria.

Also, a study carried out by Falope et al (2019) ascertains the extent that cost is used in controlling pollution and how it affects return on assets, determine the dimension to which environmental protection cost affects return on assets, ascertain the magnitude to which environmental recycling disclosure affects return on assets of construction companies in Nigeria. The study adopts the ex-post facto design. The hypotheses were tested using linear regression analysis. The finding shows that, the environmental pollution prevention cost, protection cost, and recycling disclosure has an effects on return on assets of the registered construction companies in Nigeria.

Ramalan, et al (2025) ascertains a proposed framework on the moderating effect of inflationary trends and the relationship among financial risk and financial performance of listed deposit money banks (DMBs) in Nigeria. The study employed ex-post facto design and quantitative approach. The data were obtained from the yearly financial reports of DMBs for 10 years (2014-2023). The study used panel multiple regression analysis. The finding reveals that if the framework is scientifically tested it will provide significant effect of financial risk in improving the financial performance of DMBs in Nigeria.

A study carried out by Ovwufeti (2015) examines the magnitude to which Seplat has contributed towards the development of Ugborhen community as one of its social responsibilities to the host. Shell petroleum Development Company is the predecessor of Seplat Energy Plc in Ugborhen. The study, however, investigates the implementation of the Memorandum of Understanding (MoU) among Shell and the community and also the new MoU between Seplat Energy Plc and the community. It again examines the current trends in agitation for increased development in Ugborhen community also the resultant dispute between Ugborhen community and either any of the firms. It also advances solutions to the imminent problems identified and used interview and observation approaches for primary data collection from the field. The findings show that the objectives of Shell petroleum Development Company and Seplat Energy Plc include contributing towards the development of national economy and their host communities. The study found that some social responsibilities of the firms were significantly breached previously.

Similarly, a study carried out by Idamoyibo (2020) examines the perception of the Niger Delta people on business social responsibility of the oil and gas firms with respect to building and renovation of classroom blocks, healthcare services, scholarship awards to pupils and students, jobs for skilled labour, and empowerment for unskilled labour. The employed cross-sectional field survey of primary data collection through structured questionnaire administration. The sample size of 400 respondents was used and data gathered from the field survey was analyzed using correlation analysis. The finding shows that the business social responsibility provided by the oil and gas firms has an undesirable and inconsequential influence in the Niger Delta State.

A study conducted by Pangestuti et al (2022) assesses the business risk and intellectual capital that are typical of firms in the mining industry. The study used quantitative data gathered from annual reports of the companies listed on the Indonesia Stock Exchange. The study used a generalized moments methods with the help of robust least square to choose the model that is more appropriate for the study. The finding shows that profitability, intellectual capital and business risk have an effect on the firm's value. While gold prices, exchange rates, and petroleum prices, which are macro-economic factors also have an effect on the firm value of the companies.

Also, a study carried out by Hariwibowoa (2021) on uncovering the hidden costs by evaluating ecological costs, calculates the environmental costs of sugar cane manufacturers and used case study of a cane sugar producing firm situated in Yogyakarta Specific Region Province. The study used a model to assess a cane sugar firm's environmental costs. Interviews, observations method and secondary data were gathered from the firm's environmental action reports. The environmental management cost data related to control and compensation costs were employed to ascertain ecological costs incurred in the period 2014.

The finding reveals that the firm undertake environmental impact costs more than its prevention, compensation costs and hidden environmental costs have not been integrated in the environmental management.

Likewise, a study conducted by Pascal et al (2021) determines and characterizes the willingness to accept the ecological compensation. The study introduces planner's program and personifies the optimum counterbalance. Also, the study used other ecological cost induced by the No Worse Off (NOW) and described the role of land costs and the site limitation on the optimum offset. The study proposes a spatial framework to study ecological compensation in NNL and NWO objects. This determines the site and the rate of compensation that lessen the whole cost of restoration. The model displays nonappearance of the land cost, pinpointing compensation in the gravity midpoint of marginal utilities of the environmental consumption that lessens the ecological cost. Also, land costs reposition the compensation in fewer inhabited areas to enable them benefit from inexpensive land. Again, the study displays that the limitation on the maximum distance amongst the impact and restoration sites plays a significant role in the wellbeing of people. A soft site limitation on counterbalances allows a decrease in the ecological cost but upsurges the disparity across agents. The finding reveals that the site limitation introduced a trade-off amongst the compensation cost and disparity.

A study conducted by Shonhadji (2018) determines the influence of profitability and growth rates of the business's assets on environmental disclosure with environmental performance as a moderating variable. The study used the mining companies listed in Indonesia Stock Exchange adopting PROPER program and purposive sampling techniques. The study employs the moderate regression analysis method. The study found that profitability variables have no influence on environmental disclosure, while variable growth rates of the firm's assets have significant influence on environmental disclosure, and environmental performance variables have an influence on the environmental disclosure.

Obiora et al (2022) evaluates the effect of environmental accounting disclosure on the profitability of listed firms in Nigeria for the period 2017-2021. The study employed secondary data and 5 firms from different sectors were sampled. The data were obtained from the annual reports and accounts of the chosen firms. The study used descriptive statistics, correlation analysis and ordinary least square regression to analyze the data. The finding shows that environmental accounting disclosure has significant effect on return on assets and return on equity of listed firms in Nigeria. While, it has an insignificant effect on return on capital employed of listed firms in Nigeria. The study concludes that the environment accounting disclosure has significant effect on the profitability of listed firms in Nigeria.

In a similar study carried out by Emeka-Nwokeji et al (2021) assesses the association amongst environmental cost disclosure and profitability of firms in the oil and gas firms in Nigeria. The study employed time series data; 10 firms were sampled for 10 years period (2010-2019). The corporate environmental disclosures were obtained from the annual reports and accounts of the chosen firms through content analysis using dummy variables of '1' and '0' to assign quantitative values to all qualitative specific disclosures together with the quantitative specific environmental disclosures. Also, the data for the firm's profitability was obtained from Machame RATIOS, a database maintained by Talk Data Associates (www.machameRATIOS.com). Pooled, ordinary, square regression was employed with the application of the Statistical Package for Social Sciences (SPSS) software. The data were analysed using Pearson product moment coefficient of correlation and multiple regression. The study found that environmental cost has no significant effect on the profitability of the listed oil and gas firms in Nigeria.

In the same vein, a study conducted by Ceballos-Mina and Santiago-Ayala (2019) assessed the moderating role of profitability in the association among capital structure and firm value in Jordan, as a developing economy. The sample includes all companies registered on the Amman Stock Exchange covering 2013-2017, except for banks and insurance companies. The study used quantitative methods in obtaining the data of the yearly financial reports of registered firms. The finding shows that growth has a desirable and unsubstantial influence on firm's value, liquidity has a desirable and substantial influence on firm's value, while business risk has an undesirable and substantial influence on firm's value. The following hypothesis were developed and tested in the study.

H1: financial aspect of corporate social responsibility compensation cost has constructive and substantial influence on Tobin's q of consumer goods firms in Nigeria.

H2: the mediating effect of financial aspect of corporate social responsibility compensation cost has constructive and substantial influence on liquidity of consumer goods firms in Nigeria.

H3: the moderating effect of financial aspect of corporate social responsibility compensation cost has constructive and substantial influence on firm size of consumer goods firms in Nigeria.

H4: the moderating effect of financial aspect of corporate social responsibility compensation cost has constructive and substantial influence on firm growth of consumer goods firms in Nigeria.

H5: the moderating effect of financial aspect of corporate social responsibility compensation cost has constructive and substantial influence on business risk of consumer goods firms in Nigeria.

Theoretical Review

The premise of legitimacy theory is that business practices are permissible and desirable in a number of socially developed set of values and norms (Nwakaego et al., 2020). A generalized inference that an entity's acts are needed, appropriate and/or permissible within several socially constructed set of norms, values and meanings is referred to as legitimacy (Bassey et al., 2013; Sani, 2025). According to legitimacy theory, a company may be in one of four stages in relations to legitimacy. Establishing legitimacy represents the early stages of a firm's growth and tends to revolve around issues of competence, especially financial competence, but firm must put in mind of socially developed expectations of quality and desirability, also function in compliance with agreed professional standards (Beredugo & Mefor, 2012). When a company wants to be considered acceptable in the culture, it must follow certain generally agreed norms such as establishing legitimacy, retaining legitimacy, expanding legitimacy, and defending legitimacy, which are the four phases of legitimacy (Bassey et al., 2013). Maintaining legitimacy is a process in which most businesses expect to be working, with practices such as ongoing position success and symbolic affirmation that all is well, also with efforts to predict and discourage or forestall any possible changes to legitimacy. Maintaining legitimacy is not simple as it may seem (Adebayo et al., 2012).

Adebayo et al (2012) posits that legitimacy is a complex concept in which community standards do not remain unchanged over time but rather shift, requiring organizations to be sensitive to the context in their work. Extending legitimacy refers to when a firm enters new markets or adjusts how it interacts with existing ones. When management needs the confidence and support of skeptical potential constituents, this may lead to a need to expand legitimacy, which the anticipated is to be intense and constructive. When a person's reputation is challenged by an event (internal or external), he/she must defend himself/herself. As management tries to address the challenge, legitimizing activities appear to be intense and reactive (Adebayo et al., 2012). Nwakaego et al (2020) posit that legitimacy theory is very crucial to business survival because businesses that does not operate within socially acceptable limits may face constant animosity from the government, community groups, and environmental activists. This study hinges on legitimacy theory.

3. Methodology

The study employed secondary data collected from the yearly reports and accounts of the firms for five years period (2019-2023). Purposive and judgmental sampling techniques was employed, seven registered consumer goods firms on the floor of Nigerian Exchange Group as of 31st October 2020 were sampled. The firms chosen includes Honeywell Flour Mill Plc.; N Nigeria Flour Mills Plc.; Champion Breweries Plc.; Flour Nigeria Plc.; Nigerian Breweries Plc.; Dangote Sugar Refinery Plc.; and Nestle Nigeria Plc. The grants, donations, sponsorship, scholarships and charitable gifts provided to host and impacted communities by the firms constitute the financial aspect of corporate social responsibility compensation cost. The firm value is measure by Tobin's q, the mediating variable is liquidity, while the moderating variables comprise firm size, firm growth and business risk. The study used linear regression analysis to analyze the data with the application of the Statistical Package for Social Sciences software version 26 to test the hypotheses.

Model Specification

The study adopts and modifies the models of Idamoyibo (2020). Each model represented a given hypothesis, respectively.

$$TQ = f(FACSRCC) \quad \text{(i)}$$
$$LQ = f(FACSRCC) \quad \text{(ii)}$$
$$FZ = f(FACSRCC) \quad \text{(iii)}$$
$$FGW = f(FACSRCC) \quad \text{(iv)}$$
$$BR = f(FACSRCC) \quad \text{(v)}$$

The function form of this model can be presented explicitly as:

$$TQ = \beta\_0 + \beta\_1 \text{ FACSRCC} + e\_0 \quad \text{(vi)}$$
$$LQ = \beta\_0 + \beta\_1 \text{ FACSRCC} + e\_0 \quad \text{(vii)}$$
$$FZ = \beta\_0 + \beta\_1 \text{ FACSRCC} + e\_0 \quad \text{(viii)}$$
$$FGW = \beta\_0 + \beta\_1 \text{ FACSRCC} + e\_0 \quad \text{(ix)}$$
$$BR = \beta\_0 + \beta\_1 \text{ FACSRCC} + e\_0 \quad \text{(x)}$$

Where: FACRSCC (Financial Aspect of Corporate Social Responsibility Compensation Cost), TQ (Tobin's Q), FZ (Firm Size) FGW (Firm Growth), BR (Business Risk) LQ (Liquidity) e0 (Estimate Error Term), β0 (Intercept of the Regression), and β1 (Coefficient of the Regression).

The decision rule states that when the p-value is higher than the significant level, then the null hypothesis should be accepted and the alternate hypothesis rejected.

4. Results and Discussion

Table 1: Financial Aspect of CSR Compensation Cost on Tobin's Q
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.040[a]	.002	-.331	4.19221

a. Predictors: (Constant), FACSRCC

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.085	1	.085	.005	.949[b]
	Residual	52.724	3	17.575		
	Total	52.809	4			

a. Dependent Variable: TQ

b. Predictors: (Constant), FACSRCC

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	8.435	3.281		2.571	.082
	FACSRCC	-1.082E-9	.000	-.040	-.069	.949

a. Dependent Variable: TQ

Table 1 above, shows that the financial aspect of CSR compensation cost has no constructive and substantial influence on Tobin's Q of the consumer goods firms in Nigeria. The finding disagrees with finding of Onyekachi et al (2020) who evaluate the influence of environmental investments on the earnings of registered oil and gas firms in the Nigerian economy covering ten year, 2008-2017, founds that firm's environmental investments associates significantly with their earnings.

Also, disagrees with Bukit et al (2018) who ascertains the influence of environmental performance, firm profitability and asset utilization on company value in 2 diverse circumstances using intensive debt monitoring and less intensive debt monitoring, found that in intensive monitoring, managers have a tendency to have high firm value when the companies have high environmental performance.

Again, the finding disagrees with the finding of Idamoyibo and chuwku (2024) who evaluate the connection amongst human capital quality and environmental expenditures of selected companies in Nigeria from 2004-2019. The finding shows that training budgets have a positive and insignificant relationship with environmental expenditures, while Tobin's q has a positive and significant relationship with environmental expenditures.

The finding also disagrees with the finding Isiaka et al (2025) who assesses the impact of discretionary accrual earnings management on firm value of listed consumer goods firms in Nigeria covering the period 2013-2022, found a positive and significant impact of discretionary accrual earnings management on the firm value of listed consumer goods firms in Nigeria.

Table 2: The Mediating Effect of Financial Aspect of CSR Compensation Cost on Liquidity
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.248[a]	.061	-.252	.76952

a. Predictors: (Constant), FACSRCC

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.116	1	.116	.196	.688[b]
	Residual	1.776	3	.592		
	Total	1.893	4			

a. Dependent Variable: LQ
a. Predictors: (Constant), FACSRCC

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	6.969	.602		11.572	.001
	FACSRCC	-1.266E-9	.000	-.248	-.443	.688

a. Dependent Variable: LQ

Table 2 above, shows that the mediating effect of financial aspect of CSR compensation cost has no constructive and substantial influence on Liquidity of consumer goods firms in Nigeria. The finding agrees with that of Omesi and Berembo (2017) who examines the correlation among the social accounting and return on asset of registered oil and gas firms in Nigeria, founds no substantial correlation amongst the social accounting and performance happenings of oil and gas firms in Nigeria. The finding disagrees with the finding of Ceballos-Mina and Santiago-Ayala (2019) who assesses the moderating role of profitability in the link amongst capital structure and firm value in Jordan for the period 2013-2017, founds that liquidity has desirable and strongly substantial on firm value.

Table 3: The Moderating Effect of Financial Aspect of CSR Compensation Cost on Firm Size
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.603[a]	.364	.152	255724117.10951

a. Predictors: (Constant), FACSRCC

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	112227971623770528.000	1	112227971623770528.000	1.716	.281[b]
	Residual	196184472214314464.000	3	65394824071438152.000		
	Total	308412443838084990.000	4			

a. Dependent Variable: FZ
b. Predictors: (Constant), FACSRCC

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	940047572.075	200134768.357		4.697	.018
	FACSRCC	1.244	.950	.603	1.310	.281

a. Dependent Variable: FZ

Table 3 above, displays that the moderating effect of financial aspect of CSR cost has no constructive and substantial influence on firm size of the consumer goods firms in Nigeria. The finding disagrees with the finding of Egbunike and Tarilaye (2017) who evaluates the relationship amid firm's specific attributes and voluntary environmental disclosure with evidence from registered production firms in Nigeria for the period 2011-2015, founds a helpful association among environmental disclosures and firm size of the production firms in Nigeria. The finding also disagrees with the finding of Ceballos-Mina and Santiago-Ayala (2019) who assess the moderating role of profitability in the association amongst capital structure and firm value in Jordan for the period 2013-2017, founds that liquidity is desirable and strongly substantial on the firm value. But agrees with the result of Omesi and Berembo (2017) who examines the correlation among social accounting and return on asset of registered oil and gas corporations in Nigeria, founds no substantial correlation amongst the social accounting and the performance happenings of the oil and gas corporations in Nigeria.

Table 4: The Moderating Effect of Financial Aspect of CSR Compensation Cost on Firm Growth
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.455[a]	.207	-.057	32.58335

a. Predictors: (Constant), FACSRCC

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	832.121	1	832.121	.784	.441[b]
	Residual	3185.024	3	1061.675		
	Total	4017.145	4			

a. Dependent Variable: FQW
b. Predictors: (Constant), FACSRCC

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	54.745	25.500		2.147	.121
	FACSRCC	1.072E-7	.000	.455	.885	.441

a. Dependent Variable: FGW

Table 4 above, indicates that the moderating effect of financial aspect of CSR compensation cost has no constructive and substantial influence on firm growth of consumer goods firms in Nigeria. The finding agrees with the finding of Ceballos-Mina and Santiago-Ayala (2019) who assesses the moderating role of profitability in the association amongst capital structure and firm value in Jordan between 2013 and 2017, founds that company growth is desirable on firm value, but disagrees with their finding which states that capital structure is strongly substantial on firm value.

Also disagrees with the finding of Shonhadji (2018) who determines the influence of profitability and growth rates of firm's assets on environmental cost disclosure with environmental performance to moderate the variable, founds that company growth rates of the firm's assets have substantial influence on environmental cost disclosure.

Table 5: The Moderating Effect of Financial Aspect of CSR Compensation Cost on Business Risk
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.196[a]	.038	-.282	1109767.55696

b. Predictors: (Constant), FACSRCC

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	147083806468.041	1	147083806468.041	.119	.752[b]
	Residual	3694752091409.839	3	1231584030469.947		
	Total	3841835897877.880	4			

a. Dependent Variable: BR
b. Predictors: (Constant), FACSRCC

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	1617080.918	868526.111		1.862	.160
	FACSRCC	-.001	.004	-.196	-.346	.752

a. Dependent Variable: BR

Table 5 above, shows that the moderating effect of financial aspect of CSR compensation cost has no constructive and substantial influence on Business Risk of consumer goods firms in Nigeria. The finding agrees with the finding of Ceballos-Mina and Santiago-Ayala (2019) who assesses the moderating role of profitability in the association amongst capital structure and the firm value in Jordan between 2013 and 2017, founds that business risk is undesirable on firm value and disagrees with the finding which states that business risk is strongly substantial on the firm value.

Also, the finding disagrees with the finding of Pangestuti et al (2022) who assess the business risk and intellectual capital that are typical of firms in the mining industry, founds that business risk has effect on the firm.

5. Conclusion and Recommendations

Using data of 2019-2023, this study ascertain whether the cost of cost grants, donations, sponsorship, scholarship, and charitable gifts provided by consumer goods firms which constitutes the financial aspect of CSR compensation has an influence on Tobin's q, whether the mediating effect of the financial aspect of CSR compensation cost has an influence on liquidity, and whether the moderating effect of the financial aspect of CSR compensation has effect on firm size, firm growth and business risk of the consumer goods firms in Nigeria. The sample comprises seven consumer goods firms. Linear regression was used to test the hypotheses. The coefficient displays that the P values are higher than the significant levels, the result reveals no constructive and substantial influence of the financial aspect of CSR compensation cost on Tobin's q. Also, the result indicates no constructive and substantial influence of the mediating effect of financial aspect of CSR compensation cost on the liquidity. Again, the result shows no constructive and substantial influence of the moderating effect of the financial aspect of CSR compensation cost on the firm size, firm growth and business risk of the consumer goods firms.

The study concludes that there is no influence of financial aspect of CSR compensation cost on firm value of the consumer goods firms in Nigeria. The study recommends that the firms should continue to provide more financial CSR compensation to their hosts, impacted communities and the society without skipping any period in their compensation plans arrangements for the enhancement of their goodwill, and to invites more prospective financiers to invest with them, to make the financial aspect of their CSR compensation cost have constructive and substantial influence on their Tobin's q, liquidity, firm size, firm growth and business risk.

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