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EFFECT OF STAKEHOLDERS' ENGAGEMENT ON SUSTAINABLE GROWTH OF LISTED FIRMS IN NIGERIA

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Abstract: This study empirically investigated the effect of stakeholders' engagement on sustainable growth of consumer goods firms in Nigeria. The study is vital as it portrays the extent to which stakeholders' engagement influences firms' sustainable growth. In order to determine the relationship between stakeholders' engagement (SE) and firms' sustainable growth, SE's key proxy variables were used in the study, namely; shareholders participation, customers' engagement, government engagement and host community engagement while sustainable growth on the other hand was represented by sustainable growth rate. Four hypotheses were formulated to guide the investigation and the statistical test of parameter estimates was conducted using panel least squares regression model operated with E-Views.12. Ex Post Facto design was adopted and data for the study were obtained from the Nigerian Exchange Group Factbook and published annual financial reports of listed consumer goods firms on Nigerian Exchange Group (NGX) with data spanning from 2014-2023. The findings generally indicate that shareholders participation, customers' engagement, government engagement and host community engagement have positive and significant influence on sustainable growth (SG) at 1% significant level. Based on this, the study concludes that stakeholders' engagement ensures corporate sustainable growth in Nigeria. The study therefore suggests above all that managers of listed firms in Nigeria should look for more effective ways to engage stakeholders. Specifically, shareholders should be engaged through active participation in the organization's operational decisions and monitoring of the management operations system which would likely transform to reasonable returns on their investments. Also, firms' should accept and treat customers' complaints with utmost priority and also create room for customers review in order to protect their interest which determines their loyalty. Corporate taxes on the other hand should be paid as and when due without any form of evasion as it's through corporate taxes that government provide enabling environment for business sustainability in Nigeria. Finally, host communities should always be engaged through practices that promote environmental and social sustainability initiatives as this invariably ensures the attainment of profit motives of organizations leading to sustainable growth of these consumer goods firms in Nigeria.

Keyword: Stakeholders Engagement; Shareholders Participation; Consumer Engagement; Government Expectation; Host Community Engagement.

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1.0 Introduction

Sustainable practices have strengthened community bonds, improved quality of life and provided hope for a better future. It has also helped to protect natural resources, mitigate and adapt to climate change and promote biodiversity (Miralles-Quirós, Miralles-Quirós & Hernández, 2021). Non engagement of stakeholders has led to a decrease in government revenue, information asymmetry, low product quality, low employee morale, innovation decline, reputation damage, loss of trust, decreased customer loyalty among other things. It is assumed that the act of engaging stakeholders will result in decision patterns and operations that are congruent with the views and expectations of stakeholders (Abdelfattah & Aboud, 2020; Chuah, El-Manstrly, Tseng & Ramayah, 2020). As a result of the drastic changes in the business world, stakeholders' engagement is no longer a matter of choice for public companies; with the growing awareness of the need for individuals or groups who can affect or are affected by organizational decisions to be prioritized in the process of decisions that affect those (Berebon & Sorbarikor, 2020). The level of engagement of firms' stakeholders is of growing concern, with a rising rate of contentious issues around the inability of firms' decisions and actions to meet the expectations of the stakeholders, particularly customers and government (Ibrahim & Shedrack, 2022). In Nigeria today, stakeholders’ involvement and inclusion has been downplayed by many of the quoted firms. This is reflected by preference of listed companies in Nigeria to maintain board composition titled in favour of more executive directors whose interest is always prioritized at the expense of other stakeholders, low tax compliance and tax planning strategies used by firms to minimize tax remittable to the government, and manipulation of the level of disbursement of dividend under the guise of the need for earnings retention and reinvestment in the bid to respond to the dynamics and challenges of business environment in the country (Haija & Alrabba, 2022). Furthermore, most companies' focus has shifted significantly from the need to boost turnover through manipulative advertisement and product branding, with little or no attention paid to customer protection, particularly in ensuring innovative product development for quality assurance. All these measures have resulted in an unproductive board, profit smoothing, tax avoidance and evasion, a lack of public trust, and fines and penalties, among other things. Stakeholders’ engagement is heavily influenced by how stakeholders are classified in terms of their responsibilities and expectations. According to the stakeholder hypothesis, stakeholders include shareholders, customers, host communities, government, and employees, among others. Although all stakeholders are important to the business if they are affected by the company’s decisions. However, an in-depth evaluation revealed that these stakeholders are very important to corporate survival as their neglect could jeopardize financial, social, ecological, and/or sustainability of the organization (Alkurdi, Hamad, Thneibat & Elmarzouky, 2021). Nevertheless, several studies carried out in the developed economies (Kazimoto, 2019; Dey, Petridis, Petridis, Malesios, Nixon & Ghosh, 2019; You, Zhang & Yuan, 2023; Hadj, 2020; Akanpaadgi & Binpimbu, 2021) primarily focused on stakeholders such as host countries, employees and shareholders participation while host community's engagement, customers' engagement and government engagement have received little attention which calls for further clarity. Against this backdrop, this study seeks to examine the effect of shareholders participation, customers' engagement, government's engagement and host community's engagement on sustainable growth of firms with particular reference to consumer goods firms listed on the floors of the Nigerian Exchange Group (NGX). Specifically, the study seeks to achieve the following objectives:

1. Examine the effect of shareholders participation on sustainable growth of consumer goods firms in Nigeria.
2. Ascertain the effect of customers’ engagement on sustainable growth of consumer goods firms in Nigeria

3. Determine the effect of government's engagement on sustainable growth of consumer goods firms in Nigeria
4. Investigate the effect of host community's engagement on sustainable growth of consumer goods firms in Nigeria

To achieve this purpose, the following hypotheses were formulated:

H_{01}: Shareholders' participation does not significantly influence the sustainable growth of consumer goods firms in Nigeria.

H_{02}: Customers' Engagement has no significant effect on sustainable growth of consumer goods firms in Nigeria.

H_{03}: Government's Engagement does not significantly influence the sustainable growth of consumer goods firms in Nigeria

H_{04}: Host community's engagement has no significant effect on sustainable growth of consumer goods firms in Nigeria.

2.0 Review of Related Literature

2.1 Stakeholders Engagement

According to Ibrahim and Shedrack (2022), stakeholders' engagement is referred to as the process in which the function of customers, government and shareholders is defined and incorporating these functions appropriately in a way that enhance the attainment of goals of these stakeholders as organization pursue the achievement of its own goals and objectives. Stakeholder's engagement implies the level of involvement and inclusion of the interest of the business owners (shareholders), customers and government in the overall claims and results of a firm. Thus, it involves the level of involvement of shareholders in the operating, decisions and return allocation (shareholders' participation), the level of involvement of government in terms of what the government believes it will get or be getting from the entity (government expectation) and the objective coordination and management of the activities of a firms to ensure adequate protection of the interest and experience of an individual or group of person who purchases or uses any of the entity's products/services (customers' engagement). Yu and Yin (2023), stakeholders' engagement can be defined as the consideration for all stakeholders in organizations decision making and achievement of goals and objectives. Stakeholders represent those individuals, group or organizations involved in or affected by certain projects or activities of an organization. Stakeholder as a concept referred to the individuals and groups whose actions and decisions can influence the organization as well as be influenced by organizational decision making and activities. They can also be described as people or organizations that have direct and indirect interest, and right to provide input to the progress and achievement of organizational targets. These stakeholders include shareholders, customers, employees, host communities, suppliers, creditors, investors, government, business partners, competitors, and public (Iwata & Okada, 2021). For the purpose of this study, the stakeholders' engagement covered in this study regard includes shareholders participation, host community's engagement, customers' engagement and government's engagement. This is discussed below as thus:

2.1.1 Stakeholders Participation

Shareholders' participation can also be described as a process in which shareholders are elected as monitors of the management system (Mizunu, 2021). It is a means through which shareholders are allowed to exercise right to nominate, appoint and remove managers and external auditors as well as accept or reject corporate decisions made by managers. In a business organization, there is separation between ownership and control of businesses, in which shareholders take ownership role while managers take the controlling wheel. However, this often promote agency conflicts as managers tends to focus more on affairs that maximize their interest at the expense of the shareholder's interest. Hence, shareholders' participation is designed to get shareholders involved in the internal control of the business organization and engaged in the decision making (Mizunu, 2021). Shareholders are the owners of share capital of companies. Shareholders participation is referred to as the inclusion of shareholders in the internal system of the organization. It involves taking into consideration the role of shareholders, their relationship with the business as well as their expectation from this business. Shareholders can be engaged in an organization through board participation, maximum return on their investments and share appreciation. Board participation represents the operations of the shareholders as board of directors in the organization (Maseko, 2015). Board of directors is a governing body that meets at regular interval and makes decisions on behalf of the owners of the business. In line with this, Kong et al., 2020) referred to shareholders participation as the inclusion of the shareholders in the control of business organization.

2.1.2 Host Community's Engagement

Host community's engagement refers to the process of involving and collaborating with the local community to promote interaction, participation, and decision-making in matters that affect their lives. It is a two-way communication and interaction process between community members and organizations, businesses, or government entities (Ogachi & Kariuki, 2020). In the Nigerian setting, community engagement is crucial due to its diverse population, cultural differences, and complex social dynamics. According to Ojeka, Fakile, Ikpefan and Isibor (2023), active community engagement allows for projects and policies to be designed in a way that reflects local priorities, cultural values, and environmental sustainability. Involving the community in the planning and implementation stages ensures that development outcomes are more sustainable and aligned with the long-term needs of the community. This approach promotes a sense of ownership and responsibility among community members, as they are actively involved in shaping the future of their community. As reported by Mbalyohere and Lawton (2021), effective host community's engagement involves collaboration between community members, organizations, and government entities. This collaboration fosters shared decision-making, cooperation, and collective problem-solving, leading to sustainable solutions. Collaboration forms the backbone of effective community's engagement. It is a process that involves bringing together various stakeholders such as community members, organizations, and government entities, and fostering a culture of shared decision-making, cooperation, and collective problem-solving. When these different groups work together, they bring with them a diverse range of perspectives, expertise, and resources. This diversity allows for a more comprehensive understanding of the issues at hand and opens opportunities to explore innovative and sustainable solutions.

2.1.3 Customers' Engagement

This connotes the involvement of customer through the activities that promote customers protection. Therefore customers' engagement is an objective coordination and management of the activities of a firm to ensure adequate protection of the interest and experience of an individual or group of people who purchases or uses any product/service or is adversely affected by a product or service (Sirait et al., 2020). Customers have influencing power and right on the firm since they provide the major input that is cash to the organization. However, their influence is basically determined by the position of the product in meeting their taste and demand. The product position is defined in terms of its quality, changes in ideas that generate the product as well as more research and development investment that ensure that product moves in line with the expectation of the customers in the future. It can also be described as how much a product will be capable of demonstrating its function, including the durability of the product, reliability, accuracy, ease of operation and repair of its products and product attributes (Kortler & Armstrong, 2012). This goal can be achieved through meeting the customers' expectations by having quality products. When expectations of customers are met or exceeded, then firm can have loyal customers (Johnson et al., 2016). If a product fulfills the customer's expectations, the customer will be pleased and consider that the product is of acceptable or even high quality.

2.1.4 Government's Engagement

This involves the level of involvement of government in terms of revenue generation by government through taxation. Government is primarily involved in business entities by providing conducive environment to operate effectively and efficiently, either through its spending or income collection (Adejumo & Sanyaolu, 2020). They also ensure establishment of appropriate agencies and regulators that monitor business activities in order to ascertain that activities carried out or product offered benefit the consumers as well as protect other firms. Fagbemi et al. (2019) advocates the use of tax as an instrument of social engineering, to stimulate general and/or sectoral economic growth. In that regard, taxation could have a positive or negative effect on both the individual and on government. On the other hand, business firms are mandated to ensure payment of specified rate as taxes to the government in order to facilitate their services to them and the public at large. Taxation by government also is a means used to regulate businesses in order to ensure the growth among competitive business as well as between young and old businesses. As such, government engagement is for the businesses to take into proper consideration the corporate taxes accruable to them (Lanis & Richardson, 2012, Ezeala, Opara & Omaliko, 2024). However, taxes represent charges against income thereby could reduce the profit, profitability, and performance of the firm. Thus, firms engage in profit smoothening and tax planning strategies to minimize tax remittable to the government, and manipulation of the level of disbursement of dividend under the guise of the need for earnings retention and reinvestment in the bid to response to the dynamics and challenges of business environment in the country (Dickson, 2021).

2.1.5 Sustainable Growth

According to Tutun and Som (2019), sustainable growth is a growth that could be profitably maintained for future benefits. Sustainable growth as a concept was popularized by Higgins' remarkable study in 1977, where he proposed that sustainable growth rate model should be used to explain its practical limits to growing firms. Therefore, sustainable growth rate explains if there is consistency between the sales growth with the realities of the firm and the financial market. As reported by Omaliko and Okpala (2022), corporate sustainable growth is all about the financial performance information and non-financial performance information that includes social and environmental activities that enable firms to grow sustainably and friendly.

The study of Omaliko, Mordi and Ezeala (2025) submitted that to ensure sustainable growth, organizations must concede the following:

i. Responsible for their social, environmental and economic impact.

ii. Being transparent in decisions and activities affecting its responsibilities.

iii. Interests of the stakeholders to be responded to.

iv. The rule of law is mandatory for all.

A firm with growth rate which deviates from sustainable growth will eventually fall into the dilemma of unsustainable growth (Buffa, Franch & Rizio, 2020). For the purpose of this study, sustainable growth was measured as return on equity multiplied by retention ratio. This is expressed as ROE (1-DPR).

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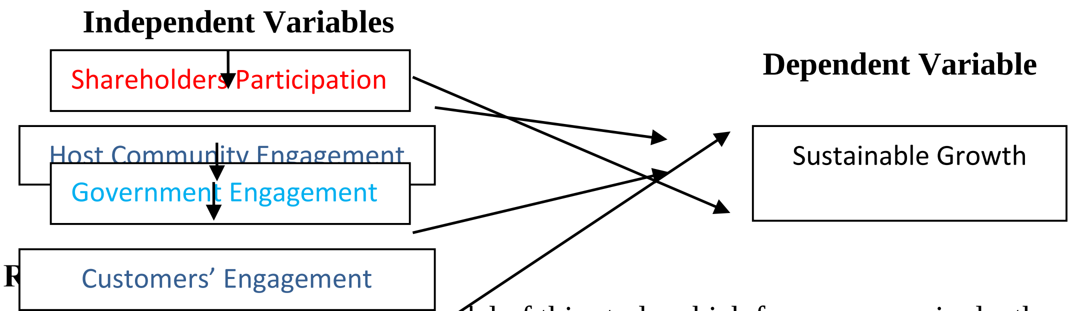
Figure 1: The Conceptual Model for the Study



Source: R

The figure 1 above shows the conceptual model of this study which focuses on an in depth assessment of existing literature on effect of stakeholders engagement on sustainable growth of listed consumer goods firms in Nigeria. Specifically, the conceptual review covers the related issues which include: scholarly definitions of concepts like shareholders' participation, host community's engagement, customers' engagement and government's engagement as it relates to firm sustainable growth as shown in the diagram.

2.2 Theoretical Framework

2.2.1 Stakeholder Theory

The theoretical foundation of this paper is anchored on the Stakeholders Theory. The theory was propounded by Freeman in the year 1984. The stakeholder theory postulates that the firm does not operate as an island, but its success depends on multiple stakeholders who have different interest on the firm's operations. This means that the firm has to identify these stakeholders (employees, customers, suppliers, local community, government and so on) and ensure that it fulfills their different needs. On that note, differentiation is made on internal and external stakeholders. Understanding such is crucial for a firm as it enables it to craft different strategies to reach out to these different stakeholders to enable the firm to attain its goals. The stakeholders' theory proposed an increased level of environmental and social awareness which creates the need for companies to manage these interests (groups' interest) in order for them to become environmentally friendly and socially responsible towards the environment in which the business is domiciled. Dodson, Azevedo, Mohiuddin, Defavari and Abrahão (2015) assert that organisations should do stakeholder analysis in order to identify key stakeholders and their interests in the organisation. Stakeholder analysis assists a firm to clearly identify and manage different needs of all key stakeholders to avoid future conflicts and lawsuits. Dodson, et al. (2015) noted that stakeholder analysis is important in order to accommodate special cases such as the natural environment, which is in most cases, neglected because it does not reflect in company financial statements. Also, the stakeholder theory sees corporate organizations as the elements of the social system or group where the firm's success is dependent upon the successful management of all the relationships that a firm has with its stakeholders; those groups without whose support the organization would cease to exist (Obey, 2020). According to this view, it is not sufficient for managers to focus exclusively on the needs of shareholders, or the owners of the business. This implies that it can be beneficial for the firm to engage in certain environmental activities that non-financial stakeholders perceive important, because without this, these groups might withdraw their support from the business. The theory illustrates that the firm has one and only one goal; to satisfy the desires of shareholders by making profits. However, profit may not be attainable if the environment in which the business operates is neglected and also if the interests of non-financial stakeholders are neglected (Onyali, Okafor & Onodi, 2015).

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Hollebeek, Urbonavicius, Sigurdsson, Clark, Parts and Rather (2022), studied the role and dynamics of different stakeholders' business model innovation (BMI) related engagement. Furthermore, the authors asserted that though business models are recognized to house firm-based value propositions, the nature and extent of stakeholders' actual perceived BMI-related value (BMIV) remains tenuous, exposing a second research gap. Using interdependence theory's outcome transformation, they then develop a conceptual model that recognizes the role of different BMI stakeholders' interdependent engagement in creating BMIV. Specifically, BMI stakeholders are predicted to consider the goals/ interests of focal others, alongside their own, in their BMI-related engagement, in turn affecting all these stakeholders' BMIV. The study predicts BMIV-based stakeholder engagement to differ based on whether stakeholders' goals/interests converge or diverge: The findings showed that while converging stakeholder goals tend to yield cooperative/equality based SE, diverging goals trigger altruistic/aggressive SE, as formalized in a set of propositions. Hasanuddin (2022), investigated the effects of ownership structure on profitability, corporate social responsibility on profitability, ownership structure on firm value, corporate social responsibility on firm value, and profitability on the value of manufacturing companies listed on the stock exchange. The study used a structural equation model (SEM) to analyze the data with the help of the AMOS program version 18. The study found that (1) ownership structure has a positive and significant effect on company profitability (2) corporate social responsibility has a positive and significant effect on company profitability (4) corporate social responsibility is positively and significantly correlated with firm value; and profitability is positively and significantly correlated with the value of manufacturing companies listed on the Indonesia Stock Exchange. Mohammed and Mohammed (2021), examined the relationship between the stakeholders' engagement and performance efficiency in Yemeni oil and gas industry. The quantitative method was employed and online questionnaire was used as a primary source for collecting data. The sample size was 312, selected from three oil and gas companies; namely; Yemen liquid natural gas company, safer exploration and production oil company and OMV Company. The results using regression model show that stakeholders' engagement has a significant relationship with the performance efficiency. In addition, stakeholders' engagement has a significant impact on the performance efficiency. The results suggest the consideration of early stakeholders' engagement in the planning, development, implementation, controlling and evaluation the performance. Managers should enhance every step regarding the participation of the stakeholders in the decision-making process. Singh and Rahman (2022), investigate shareholders engagement and corporate performance in emerging economy. Based on the publication of sustainability reporting by firms in compliance with GRI standards, 89 selected Indian firms from the NSE 500 were included in the content analysis for data collection. In addition, multiple linear regression was used to analyse secondary data to establish an empirical relationship between SDGs adoption and corporate performance. The findings of this study revealed that the adoption of SDGs by firms is significantly and positively associated with their financial, environmental, and social performances. Ibrahim and Shedrack (2022), investigated the influence of stakeholder involvement on the performance of Kenyan parliamentary service commission. Descriptive survey research design was used. The target population included eight hundred and five (805) respondents, including twenty (20) department heads and seven hundred and eighty-five (785) employees from PARLSCOM Job Group (Scale) 6 and above. Cronbach's alpha reliability coefficient was used to test the questionnaire's reliability, and the study aimed for a correlation coefficient of 0.7. Descriptive statistics: standard deviation and mean quantitative data analyzed and presented in tables, pie charts, and bar graphs In order to determine how variables relate, inferential statistics such as multiple regressions and correlation analysis were used. According to the findings of the study, stakeholder involvement has a positive and significant impact on the performance of the Kenyan Parliamentary Service Commission. Susanti and Ardika (2022), investigated business sustainability, stakeholder engagement, transformational leadership and analyzing the effect of transformational leadership and stakeholder engagement on business sustainability. This research was conducted using a survey method on 254 soybean-based SMEs consisting of tempe, tofu and soy sauce craftsmen in West Java. Data was collected by distributing a questionnaire, interviewing and observations of the unit of analysis. The data collected was analyzed using structural equation modeling (SEM) analysis techniques. The results of this study stated that the business sustainability of soybean-based MSMEs was actually better in the social dimension and relatively less in the environmental dimension.

3.0 Methodology

An ex post facto design was used in the study based on the fact that the data for the study was secondary which already existed and cannot be controlled. The population of the study consists of all the 21 listed consumer goods firms on the Nigerian Exchange Group (NGX) as at December 31, 2023 covering the period 2014-2023. Thus, the study used the entire population of the study. On this basis, a total of 21 firms made up our sample size. Out of the 21 consumer goods firms that formed our sample size, 5 firms have empty financial information within the period under review (Union Dicon Slat Plc, Golden Guninea Breweries Plc, DN Tyre and Rubber Plc, BUA Foods PLc and Multi-Trex Integrated Foods Plc) and were removed. Based on this, a total of 16 firms formed our sample size with 160 observations. The data was collected from the annual accounts and annual accounts of the sampled banks. Panel least square regression model was used to examine the relationship between stakeholders' engagement and sustainable growth of firms in Nigeria.

3.1 Model Specification

To examine the effect of stakeholders' engagement on sustainable growth of consumer goods firms in Nigeria, the study adapted and modified the Model of Obey (2020) and Ibrahim and Shedrack (2022). This is shown below as thus:

Obey (2020): $\mathbf{FP_{1t} = \beta_{it} + \beta_1 SE_{it} + \beta_2 FSIZE_{it} + \beta_3 LIQ_{it} + \mu}$

Ibrahim and Shedrack (2022): $\mathbf{OP_{it} = \beta_{it} + \beta_1 SE_{it} + \mu}$

The functional model for the study is therefore shown below as thus:

SG= F (SP, CE, GE, HCE, FZ)

The econometric form of the regression designed for the study is expressed as thus:

$$\mathbf{SG_{it} = SG_{it} = \beta_0 + \beta_1 SP_{it} + \beta_2 CE_{it} + \beta_3 GE_{it} + \beta_4 HCE_{it} + \mu}$$

Where:

SG = Sustainable Growth

SP= Shareholders' Participation

CE= Customers' Engagement

GE= Government Engagement

HE= Host Community's Engagement

μ = Stochastic Term

β_1 – β_4 = Coefficient of Regression Equation

β_0 = Constant coefficient (intercept) of the model

'A Priori' Expectation is given as: $\beta_0, \beta_1, \beta_2, \beta_3, \beta_4 > 0$

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Decision Rule: accept Ho if P-value > 1%-5% significant level otherwise reject Ho

4. Data Analysis and Results

Table 1: Descriptive Statistics

	SG	SP	CE	GE	HCE
Mean	5.019563	7.789625	0.356250	0.584125	0.587500
Median	3.370000	0.480000	0.000000	0.280000	1.000000
Maximum	119.4900	74.74000	1.000000	55.68000	1.000000
Minimum	-52.07000	0.000000	0.000000	-1.430000	0.000000
Std. Dev.	0.939349	16.26124	0.464968	39.68312	0.496806
Skewness	0.473822	3.009900	0.809040	-11.81009	-0.277637
Kurtosis	2.110975	2.751426	1.654545	2.360076	1.077082
Jarque-Bera	11.25598	752.4999	29.52287	138160.4	26.70628
Probability	0.673596	0.787654	0.344500	0.679874	0.123262
Sum	803.1300	1246.340	57.00000	93.46000	94.00000
Sum Sq. Dev.	72828.97	48576.27	36.69375	3071.509	38.77500
Observations	**160**	**160**	**160**	**160**	**160**

Source: E-View 12 Computational Results (2024)

The table 1 above shows that the mean value of sustainable growth (SG) for the period covering 2014 to 2023 was 5.02. This implies that firms' sustainable growth is determined by stakeholders' engagement. Also, the distribution for sustainable growth is platykurtic since the kurtosis (2.11) is less than 3, implying that the outliers are few. The Jarque-Bera probability of 0.674 is greater than 0.05, which means that the distribution of firm sustainable growth is not different from a normal distribution. The mean value of shareholders participation (SP) was 7.79. This implies that firms with SP value of 7.79 and above engage shareholders in their business decisions and operations and also have sustainable growth. The maximum value for the study was 74.7 while the minimum value was 0. This wide variation in maximum and minimum SP values justify the need for this study as we assume that firms with higher SP values are more sustainable than those firms with low SP values at a degree risk of 16.3 %. The distribution is platykurtic since the kurtosis (2.75) is less than 3, implying that the outliers are few. The Jarque-Bera probability of 0.788 is greater than 0.05, which means that the distribution of shareholders participation does not deviate from a normal distribution. Also, the mean value of customers' engagement (CE) was 0.356. This means that firms with CE value of 0.356 and above always pay attention to their customers' reviews and also have sustainable growth. The maximum value for the study was 1 while the minimum value was 0. This wide variation in maximum and minimum CE values justify the need for this study that firms with higher CE values are more sustainable than those firms with low CE values at a high degree risk of 0.46%. The distribution is platykurtic since the kurtosis (1.65) is less than 3, implying that the outliers are few. The Jarque-Bera probability of 0.345 is greater than 0.05, which means that the distribution of customers' engagement is not different from a normal distribution. The average value of government engagement (GE) was 0.584. This implies that firms with GE value of 0.584 and above have sustainable growth. Thus government engagement is a determinant of corporate sustainable growth in Nigeria. The maximum value for the study was 55.68 while the

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minimum value was -1.43. The wide variation in maximum and minimum GE values justify the need for this study that firms with higher GE values have higher sustainable growth than those firms with low GE values at a degree risk of 39.7%. The distribution is platykurtic since the kurtosis (2.36) is less than 3, implying that the outliers are few. The Jarque-Bera probability of 0.679 is greater than 0.05, which means that the distribution of government engagement does not deviate from a normal distribution. The mean value of host community engagement (HCE) was 0.588. This means that firms with HCE value of 0.588 and above engage host community in their business operations and also have sustainable growth. The maximum value for the study was 1 while the minimum value was 0. The wide variation in maximum and minimum HCE values justify the need for this study as we assume that firms with higher HCE values are more sustainable than those firms with low HCE values at a high degree risk of 0.497%. The distribution is platykurtic since the kurtosis (1.08) is less than 3, implying that the outliers are few. The Jarque-Bera probability of 0.123 is greater than 0.05, which means that the distribution of host community engagement is not different from a normal distribution.

4.1: Test for Auto-Correlation

Autocorrelation refers to a condition whereby the residuals in a regression model have a strong association among themselves. This condition was examined in Table 2 below.

Table 2: Breusch-Godfrey Serial Correlation LM Test:

F-statistic	0.740931	Prob. F(2,152)	0.8941
Obs*R-squared	0.962512	Prob. Chi-Square(2)	0.3242

Source: E-Views 12 Computational Results (2024)

The null hypothesis is that the residuals are not strongly correlated. However, the alternative hypothesis of auto correlated error terms was rejected since the Prob. F (2, 152) = 0.8941 is more than 0.05.

4.2: Test of Hypothesis

Panel Least Squares Regression Model was developed to test the linear relationship between the dependent and independent variables. It was operated using E-View 12 as shown in the table 3 below. Thus, the hypotheses are restated as follows:

H_{01}: Shareholders' participation has no significant effect on sustainable growth of consumer goods firms in Nigeria.

H_{02}: Customers' engagement does not significantly influence the sustainable growth of consumer goods firms in Nigeria

H_{03}: Government's engagement has no significant effect on sustainable growth of consumer goods firms in Nigeria

H_{04}: Host community's engagement does not significantly influence the sustainable growth of consumer goods firms in Nigeria

Decision Rule: accept Ho if P-value >1%- 5% significant level otherwise reject Ho

Table 3: Result on Effect of Stakeholders Engagement on Sustainable Growth of Consumer Goods Firms in Nigeria.

Dependent Variable: SG

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Method: Panel Least Squares
Date: 10/22/24 Time: 11:20
Sample: 2014 2023
Periods included: 10
Cross-sections included: 16
Total panel (balanced) observations: 160

Variable	Coefficient	Std. Error	t-Statistic	Prob.
SP	0.603326	0.194068	3.108838	0.0040
CE	0.493006	0.149426	3.299323	0.0012
GE	2.268605	0.312301	7.264162	0.0000
HCE	0.551248	0.138276	3.986581	0.0001
C	9.160665	0.640258	14.30778	0.0000

R-squared	0.750070	Mean dependent var	7.155500
Adjusted R-squared	0.725722	S.D. dependent var	0.939349
S.E. of regression	0.826562	Akaike info criterion	7.493696
Sum squared resid	105.2136	Schwarz criterion	8.609015
Log likelihood	-193.4957	Hannan-Quinn criter.	8.540523
F-statistic	10.27052	Durbin-Watson stat	2.012582
Prob(F-statistic)	0.000000		

Source: E-View 12 Computational Results (2024).

4.3: Discussion of Findings.

In table 3, R-squared and its adjusted R-squared values were (0.75) and (0.73) respectively. This is an indication that all the independent variables jointly explain about 75% of the systematic variations in sustainable growth (SG) of our sampled firms over the ten-year period (2014-2023) while 25% of the systematic variations are captured by the error term. The F-statistics 10.27052 and its P-value of (0.000000) portrays the fact that the Panel Least Squares Regression Model is well specified. With this, the researcher affirms the validity of the regression model adopted in this study. Test of Autocorrelation: Using Durbin Watson (DW) statistics, 2.012582 was obtained from the regression result as shown on table 3. This agrees with the Durbin Watson rule of thumb which indicates that the data is free from autocorrelation problem and as such fits for the regression result to be interpreted and relied on. Akika Info Criterion and Schwarz Criterion which are 7.493696 and 8.609015 respectively further strengthen the fitness of our regression result for reliability as it confirm the goodness of fit of the model specified. In addition to the above, the specific findings from each explanatory variable from panel least squares regression model as shown on table 4.3.1 is provided below as follows:

H_{01}: Shareholders' participation has no significant effect on sustainable growth of consumer goods firms in Nigeria.

This hypothesis was tested and the result of the regression model as exposited on table 3 indicates that the relationship between shareholders participation (SP) and sustainable growth (SG) is positive and significant with a P-value (significance) of 0.0040 for the model which is less than the 1% level of significance adopted. Likewise the result of positive coefficient of 0.603 for the model indicates that, shareholders participation ensures firms' sustainable growth. Thus implies that shareholders should be engaged as their involvement in decision making process and business operations determine firm sustainable growth in Nigeria. We therefore rejected the null hypothesis and accepted the alternate hypothesis which contends that shareholders' participation has significant effect on sustainable growth of consumer goods firms in Nigeria. This is in tandem with the a priori expectations of Richard and Murigi (2023), Lyulyor et al (2023), Singh and Rahman (2022) who found positive and significant association between shareholders participation and corporate performance. In disagreement, Shingade et al (2022) found negative and significant relationship between shareholders participation and corporate performance.

H_{02}: Customers' engagement does not significantly influence the sustainable growth of consumer goods firms in Nigeria

This hypothesis was tested and the result of the regression model as exposited on table 3 indicates that the relationship between customers' engagement (CE) and sustainable growth (SG) is positive and significant with a P-value (significance) of 0.0012 for the model which is less than the 1% level of significance adopted. Likewise the result of positive coefficient of 0.493 for the model indicates that, customers' engagement ensures firms' sustainable growth by 0.493%. This implies that firms' that accept and treat customers' complaints with utmost priority protect the interest of the customers which invariably ensures sustainable growth of such firm. Therefore, customers' engagement is considered a determinant of firm sustainable growth in Nigeria. We therefore rejected the null hypothesis and accepted the alternate hypothesis which contends that customers' engagement has significantly influence the sustainable growth of consumer goods firms in Nigeria. This is in consonance with the studies of Ogachi and Paul (2020), AL-Hiyari and Kosi (2021) and Miralles-Quiros et al (2021) who found positive association between customers' engagement and corporate performance.

H_{03}: Government's engagement has no significant effect on sustainable growth of consumer goods firms in Nigeria

This hypothesis was tested and the result of the regression model as exposited on table 3 indicates that the relationship between government engagement (GE) and sustainable growth (SG) is positive and significant with a P-value (significance) of 0.0000 for the model which is less than to 1% level of significance adopted. Likewise the result of positive coefficient of 2.27 for the model indicates that government engagement (taxes paid to government) are used for provision of enabling environment and friendly laws for business sustainability in Nigeria. Therefore, taxes paid to the government ensure firm sustainable growth in Nigeria. We therefore rejected the null hypothesis and accepted the alternate hypothesis which contends that government engagement has significant effect on sustainable growth of consumer goods firms in Nigeria. This aligns with the findings of Doni et al (2022), Mohammed and Mohammed (2021) and Yi et al (2021) who found that taxes paid to the government has positive and significant effect on corporate performance.

H_{04}: Host community's engagement does not significantly influence the sustainable growth of consumer goods firms in Nigeria

This hypothesis was tested and the result of the regression model as exposited on table 3 indicates that the relationship between host community engagement (HCE) and sustainable growth (SG) is positive and significant with a P-value (significance) of 0.0001 for the model which is less than the 1% level of significance adopted. Likewise the result of positive coefficient of 0.551% for the model indicates that the engagement of host communities in business by business organizations ensures business sustainable growth by 0.551%. The implication of this is that the purpose of every business is to make profit but the profit could not be attained if the host community in which the business operates is neglected. We therefore rejected the null hypothesis and accepted the alternate hypothesis which contends that host community engagement has significant influence the sustainable growth of consumer goods firms in Nigeria. This is in agreement with the a priori expectations of Budsaratragoon et al (2021), Ibrahim and Shedrack (2022) and Hasanuddin (2022) who reported positive and significant relationship between community engagement and corporate performance.

5. Conclusion

The study having developed a model fit on stakeholders engagement using (SP, CE, GE & HCE) notes that among the four categories of stakeholders engagement covered in this study; government engagement (GE) has the highest level of influence on firms sustainable growth (SG) by the model used in the study followed by shareholders participation (SP), host community engagement (HCE) and customers engagement (CE). Therefore, the study concludes that stakeholders' engagement ensures sustainable growth of consumer goods firms in Nigeria.

5. 1 Recommendation

In lieu of the findings of the study, the following recommendations were made:

1. The study having found a positive and significant association between shareholders' participation and firm sustainable growth recommends that during board composition, shareholders should be well represented for effective monitoring of the operations system of managers that will eventually transform to increased return on their investments and share appreciation of the listed consumer goods firms in Nigeria which also ensures it's sustainable growth.
2. The study also recommends that firms' should accept and treat customers' complaints with utmost priority and also create room for customers review in order to protect their interest which determines customers' loyalty that invariably ensures firm sustainable growth.
3. Managers of listed firms should pay their corporate taxes as and when due without any form of evasion as it's through corporate taxes that government provide enabling environment and friendly laws for business sustainability in Nigeria.
4. The study having found a positive association between host community's engagement and firm sustainable growth recommends that host communities should always be engaged in order to enable the business achieve its sustainable goals. Also, the purpose of every business is to make profit but the profit could not be attained if the host community in which the business operates is neglected. Therefore, policies that promote environmental sustainability initiatives should be embraced and administered for an ensured and continual engagement of the host communities.

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