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Social Sustainability Disclosure and Firm Value of Listed Financial Services Firms in Nigeria

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Abstract

In light of the challenges that Nigerian listed financial services firms encounter in achieving sustainable performance, it becomes imperative to investigate alternative approaches for adhering to current corporate sustainability reporting standards. This pursuit can potentially impede the ability of financial institutions to enhance their value creation capabilities. This research examines the impact of social sustainability disclosure on firm value of listed financial services firms in Nigeria. The study employed ex-post facto research design. The study relied on secondary data extracted from the annual reports of 35 selected financial service firms, covering the time period from 2010 through 2020. The study employed regression analysis and descriptive statistics. The findings of the study indicate that workforce gender diversity (female workforce) disclosures and education sponsorship as indicators of social sustainability disclosure, have a positive and statistically significant influence on firm value. On the other hand, health and safety disclosure has a positive but insignificant effect. The study concluded that enhancing firms' social sustainability disclosure, particularly in relation to workforce gender diversity and education sponsorship, have the potential to enhance the firms' value. The study recommended that listed firms should prioritize the implementation of disclosure strategies and policies pertaining to workforce gender diversity, specifically with regards to the representation of women in the workforce, as well as disclosure of education sponsorship initiatives to stimulate and enhance firm in competitive market.

Keywords: Firm value, share price, workforce gender diversity (Female workforce) disclosure, health and safety disclosure, education sponsorship disclosure.

1. Introduction

Globally, firms are increasingly faced with challenges by stakeholders to improve their accounting information reporting to incorporate social sustainability disclosure practices as part of their corporate reporting policy. Inadequate disclosure of societal issues such as workforce gender diversity (Female workforce) disclosure, health and safety disclosure and education sponsorship disclosure in the financial reports of listed firms has diminished perception of the firms' legitimacy of their operation which has decline their competitive edge and resulted to devaluation of their standing within the aggressively competitive stock market. The economic well-being of a nation is heavily reliant on the soundness of its financial institutions. In the event of a failure of these institutions, the nation's economic advancement would be hindered (Obiah et al., 2022). Financial services firms play a crucial role in the growth of the national economy by providing financial intermediation that bridged lending gaps within the nation. To enhance the value creation capabilities of financial institutions, it became necessary to establish novel approaches for engaging with the practice of social sustainability disclosure.

Aifuwa (2020) asserts that currently in Nigeria reporting framework, there is no legal or regulatory obligation for companies to disclose their social performance and impact. Consequently, all social disclosure are deliberate disclosures and it has received insufficient consideration among listed firms in Nigeria (Abdulraham et al., 2021). This issue has led to decreased rates of compliance and disclosure (Aifuwa, 2020; Emeka-Nwokoji & Osisoma, 2019; Igbekoyi et al., 2019). Emeka-Nwokeji and Osisioma (2019) posit that there exists a detrimental and inconsequential association between social sustainability disclosures and firms' market value. According to the findings of Atanda et al. (2021) and Tomomewo et al. (2022), the social sustainability disclosure of Nigerian deposit money banks does not yield favourable outcomes for the company's performance. Instead, it mostly functions as a means to legitimise their activities. Hongming et al. (2020), stated that the integration of social sustainability practices into the corporate policies of publicly traded companies has been shown to enhance the overall worth of the organization. According to the research conducted by Obiah et al. (2022), there exists a negative and not significant link between the disclosure of sustainability practices and the return on assets among Nigerian deposit money banks.

The primary emphasis of various study review was to investigate the impact of social sustainability disclosure on the performance of non-financial sectors. Existing research on the financial sector, tends to focus predominantly on deposit money banks, with limited attention given to other firms in the financial sector, such as insurance companies. It was also found from prior empirical review that several studies using various context, scopes, theories and methodologies reported that there is positive significant relationship between social sustainability reporting and firm value while others found negative and non-existing relationship.

This study considered all financial intermediaries purposively selected from financial services sector in Nigeria. The present study is predicated upon the use of secondary data sourced from audited annual reports of selected firms spanning the period from 2010 to 2020. This study is relevant to policy makers and the management of listed firms to cultivate the mind-set of incorporating social sustainability disclosure practices as part of their corporate strategies and policies that will promote social sustainability disclosure which will also allow investors and the entire society to take investing decisions that influence firms' value. Based on the aforesaid, the objective of the study is to investigate the effect of social sustainability disclosure on firm value of listed financial services firms in Nigeria.

The subsequent sections of the study are organized in the following manner: the second section provides a comprehensive review of relevant literature, encompassing conceptual, theoretical, and empirical review with gap identified. Section 3 provides a comprehensive overview of the methodology employed in the study. A comprehensive examination of the data analysis and subsequent discussion of the findings is thoroughly presented in Section 4. The concluding section of the study provides an overview of the findings and offers recommendations for further action.

2. Literature Review

2.1 Firm value

Firm value is a recognized economic metric that reflects the intrinsic worth of a business. The definition of value is not easy to come by, due to diverse viewpoints, interpretations and connotations accorded to value within scholarly discourse. The assessment of firm value can be conducted using various methodologies, each of which has the potential to yield distinct outcomes. The measures frequently employed in literature to ascertain the value of a firm is the book value or accounting net worth of a company. According to Morck et al. (1988), the concept of firm value can be determined using the capital market approach, it refers to as the sum of the current market price of equity stock and the anticipated values of debt and preferred stock.

According to Emeka-Nwokeji (2019), the valuation of a firm is contingent upon the investors' judgments regarding the ability of its directors to anticipate and adapt to impending changes in the firms' economic atmosphere. In this study, market share price was used as a proxy for firm value. This assertion holds validity as publicly traded companies already possess a designated market value for their shares, which is established based on the prevailing market price of the company's shares. Quoted prices are observed on the stock exchange. According to Setiadharma and Machali (2017), the value of a firm is contingent upon its stock price. Titman et al. (2011), stated that market price generally serves as a reliable indicator of the intrinsic value of the underlying equity shares. Market value refers to the price at which equities would be traded in a competitive capital market. This study focuses on financial services companies listed on the Nigerian Exchange Group (NGX). To establish the market value, the current market price of the selected companies' shares as at December of the fiscal year will be used. The share prices of selected firms were obtained from their annual reports and the official website of the NGX as at December 30th. Atanda et al. (2021) used share price as a proxy for firm value.

2.2 Social Sustainability Disclosure

Emeka-Nwokeji and Osisioma (2019) assert that social sustainability disclosure encompasses a wide-ranging and contested concept that combines principles of social justice and environmental protection. The utilization of social sustainability disclosure by business directors serves as a means to communicate their social performances to a diverse array of stakeholders who may not be directly engaged in the firm's operational activities or policy-making processes. Iheduru and Okoro (2019) stated that social sustainability disclosure encompasses the extent, analysis, and communication of relationships between social problems within the social dimension of sustainability reporting. A social sustainability disclosure is recognised as a way of providing information about firms' social performance (Almansoori & Nobanee, 2020). Social sustainability disclosure emerges when there is a robust support from both formal and informal processes, institutions, and connections, which collectively empower present and future generations to foster societies that promote well-being. The working definition of this study is social sustainability disclosure represents disclosure of financial data to provide users of financial reports with comprehensive information about all activities on social aspect needed to legitimate and make correct-judgment regarding a firm ability to provide the chance for imminent generations to satisfy their needs while sustaining sustainable development goal.

Good reputation of firm creates awareness for investors to realise the firm's investment to enhance social activities that will reduce the firm's risk when social problems arise. Disclosure of social sustainability practices is expected to be beneficial information for making investment decisions by the investors that will eventually increase the value of firm (Hariyani et al., 2022). The study concentrated on three facets of social sustainability disclosures, namely workforce gender diversity (Female workforce) disclosure, health and safety disclosure and education sponsorship disclosure which have not been considered together in any known study.

2.1.1 Workforce Gender Diversity (Female Disclosure)

The disclosure of workforce gender diversity, which refers to the proportion of women in an organization's workforce, serves as a quantifiable measure of the range of diversity inside the business. This disclosure can be supplemented with industry-specific or local criteria, as recommended by the Global Reporting Initiative (GRI, 2013). The measure of an organization's human capital can be determined by its level of diversity. The provision of information regarding equal opportunity is also facilitated by the interactions between a workforce that encompasses a range of varied individuals and a management team that is similarly diversified. The comprehensive release of data pertaining to the composition of the labour force aids in identifying the specific concerns that may hold particular significance for distinct groups of employees.

The indicator delineates the legal and socioeconomic circumstances that encompass both favorable circumstances and obstacles in achieving gender equality in the labour market. This may encompass the inclusion of women in the labour force, their involvement in strategic managerial positions, and the attainment of equitable compensation. The indicator provides data on the proportion of women's basic salary and compensation relative to men's within different worker groups, based on notable job locations. The retention of experienced employees within an organization is contingent upon various factors, including equitable compensation. The corporation encounters legal challenges pertaining to allegations of discrimination, which in turn poses a threat to its public reputation due to observed discrepancies which has the tendency of affecting firm value (GRI, 2013).

2.1.2 Health and safety disclosure

Health and safety disclosure describe initiatives connected to supporting workforce-members, their families, or members of the community who are afflicted with severe diseases, comprising whether such agendas contain prevention and risk-control measures, or treatment (Okoye & Onuora, 2019). This particular metric is a crucial determinant of a company's commitment to its stakeholders. The low rates of injury and absentee are usually connected to significant improvement in staff determination and efficiency. This indicator serves as a measure of the extent to which firms prioritize their obligation to disclose information on health and safety issues. The indicator assesses the effectiveness of organizational efforts in promoting health and safety by measuring the reduction in workplace events related to these matters. The protection of the community's health and safety is exemplified by the utilization of the indicator. Formal contractual agreements have the potential to foster the development of a forward-thinking culture that prioritizes health and safety, while also promoting the acknowledgment of responsibilities by all concerned parties. This is indicative of the extent to which firms actively engage in formal labour-management agreements that establish health and safety organizational frameworks.

2.1.3 Education Sponsorship Disclosure

Education sponsorship makes a direct and positive impact on the community by helping deserving and eligible students to afford higher education. This indicator serves to identify programs that provide educational sponsorship with the objective of enhancing educational skills. Disclosure on education sponsorship provides insight into a firm’s capability to discharge its social contract policies and procedures (Okoye & Onuora, 2019). Education sponsorship schemes provide firms with the opportunity to create sponsorships that empower prospective students to achieve strategic objectives within a rapidly evolving employment market. The agendas also enhance brand consciousness among students timely in their studentship, to position them for a lucrative employment opportunity upon graduation. The firms have an inherent interest in the allocation of funds towards sponsorship in order to garner public attention, individuals or entities which have a multiplier effect on their future profitability (GRI, 2013).

Education sponsorship provides community people with the necessary resources and opportunities to pursue further education, provided they possess the willingness and ability to do so. It is imperative to bear in mind that the presence of a proficient personnel enhances an organization's human capital and augments the level of happiness among community members, both of which exhibit a significant association with enhanced performance. The objective of education sponsorship for lifelong learning is to support the acquisition of knowledge and competencies necessary for individuals to effectively adjust to a rapidly dynamic labour market and to partake aggressively in all facet of economic-life. Education sponsorships have become well recognised among firms in the financial sector which also increases their patronage and improved their corporate image.

2.3 Theoretical Review

2.3.1 Resource-Based Theory

The resource-based theory of an organizations was propounded by Werner Felt (1984). This theory integrates concepts from the fields of strategic management and organizational economics (1991). Boyce et al. (2015), described resource-based as unique and genuine norms and cultures include inherent value, distinctiveness, and authenticity, and that they have the potential to enhance overall performance of a firm. The fundamental assumption of this theory is that firms can achieve success by acquiring and sustaining a competitive advantage (Porter, 1985). According to Barney (1991), a competitive advantage can be achieved by the implementation of a value-creating strategy that is difficult for competitors to imitate and maintain, and does not have readily available alternatives.

In order to get a competitive advantage, it is necessary for two requirements to be fulfilled. Firstly, it is important that rival firms own disparate levels of access to resources. Secondly, these resources must be of a fixed nature. The impact of human resource management on both organizational and human resources renders it advantageous for organizations to leverage it in order to gain a competitive advantage (Schuler & Macmillan, 1984). The operational environments in which companies' function have an apparent influence on the degree to which human resource management can be leveraged to attain a competitive edge, as well as the approaches employed to achieve this objective. In specific commercial settings, technological advancements can potentially replace human labour, yet in other instances, the presence of human resources is essential for highlighting the distinctions between businesses that heavily rely on manual work and those that prioritize knowledge-based activities. In the latter scenario, employing human resource management as a strategic tactic to gain a competitive advantage may be more suitable. According to the resource-based theory, it is imperative for a company's human resources to encompass four essential attributes: value, rareness, imitable character, and organization. This theory posits that human resources serve as a foundation for achieving persistent competitive advantage.

2.4 Empirical Review

Erhirhie et al. (2019) examined the correlation between financial performance of Nigerian oil and gas firms and corporate social sustainability reporting. The research incorporated a sample consisting of ten oil and gas companies. The research utilized secondary data obtained from firms' annual reports, which were purposefully selected among firms in the oil and gas industry. The data was subjected to multiple regression analysis. Based on the research findings, it was concluded that there is a statistically significant negative relationship between social sustainability reporting and return on equity. This finding contradicted the findings of Amedu et al. (2019) who examined the impact of sustainability reporting on market value using a sample of 30 manufacturing companies listed in Nigeria. The study utilizes secondary data retrieved from annual reports spanning from years 2010 to 2018 and analysed using regression techniques with panel data. The results indicate that social sustainability reporting has a substantial influence on the market value of firms.

Emeka-Nwokeji and Osisioma (2019) conducted a study to examine the influence of sustainability disclosures on the companies' market value. The data were obtained from a sample of 93 selected firms' annual reports spanning from 2006 to 2015. Data were analysed using a combination of pooled ordinary least squares regression and descriptive statistics. The findings indicated an insignificant negative influence of social sustainability disclosures on firm value. This finding contradicts the outcomes of Amedu et al. (2019) which revealed a significant and positive correlation between social sustainability and firm value. The research conducted by Khaghaany et al. (2019) aimed to examine the potential impact of sustainability disclosures on the value relevance of tourism firms operating in Iraq. The sample size consisted of 52 years' firm observations covering period 2013 to 2018. The result of the findings indicate that a positive and statistically significant relationship exists between share price and the implementation of sustainability reporting practices. However, it is important to note that the act of sustainability reporting itself does not appear to have a direct influence on share price.

Okoye and Onuora (2019) examined value relevance and corporate social accounting reporting. Data were collected from a total of eight banks that were listed during the years 2007 and 2016. Secondary data were extracted from yearly financial reports of the firms. A robust least square (RLS) regression technique was performed. The findings of this study indicate that the disclosure of scholarship has a statistically significant effect on the firm value while health and safety disclosure has insignificant effect. Iswati (2020) conducts a study on impact of corporate social responsibility (CSR) and sustainability reporting on firms' value. The study used financial data from 132 Indonesian manufacturing listed companies for the period of 2017 to 2018. Based on the research findings, it was revealed that corporate social responsibility does not exert a significant influence on the valuation of Indonesian manufacturing companies.

The study conducted by Govindan et al. (2021) investigated the effect of corporate social responsibility performance on firm value, with a specific focus on ownership structure and board characteristics. The results of the study suggest that there is no significant positive relationship between social responsibility performance and the value of logistics enterprises. Atanda et al. (2021) conducted a study examining the influence of sustainability disclosure on the firm value of a sample randomly selected from listed banks for the period of 2014-2018. The data, obtained from annual reports via secondary sources, were subjected to analysis using ordinary least squares fixed-effects regression. Based on the research findings, it was found that social sustainability disclosure has a substantial positive impact on the overall firm value.

Ezekwesili and Ezejiofor (2022) examine the influence of sustainable accounting practices and their impact on the sustainability reporting of Multinational Corporations in Nigeria and found that Nigerian multinational corporations listed on the stock exchange exhibit a significant degree of social accounting practice. Furthermore, the research findings revealed a robust association between the ethical principles upheld by multinational corporations operating in Nigeria and their implementation of social accounting measures.

2.5 Gap in Literature

Various studies were examined, with a particular emphasis on investigating the impact of social sustainability disclosure on the performance of enterprises operating in non-financial sectors. The limited number of studies in the financial sector predominantly focus on deposit money banks, with comparatively less emphasis on other publicly traded entities within the financial industry, such as insurance firms. This study considered all financial intermediaries that were explicitly selected from Nigeria's financial services industry. To the author's understanding, there has been no previous research that has considered the three social dimensions of social sustainability disclosure in relation to firms' value, which are the main focus of this study. The social elements encompassed in this study are the disclosure of health and safety practices, sponsorship of education initiatives, and the promotion of workforce gender diversity, specifically female workforce.

It was also discovered that empirical reviewed, demonstrated that several studies found no correlation or even a negative correlation, while others indicated a robust positive correlation between sustainability reporting and corporate value across different contexts, scopes, theories, and methodologies. These conflicting findings call for more research to facilitate convergence in the understanding of the relationship that exist between social sustainability disclosure and firm value among listed firms in Nigeria. Despite the extensive body of research on social sustainability reporting, there is a notable gap in literature pertaining to determining the effects of social sustainability disclosure, specifically within Nigeria's financial services sector. This industry holds a prominent position as one of the country's most vibrant and substantial contributors to its gross domestic product (GDP). Given the aforementioned circumstances, it is logical to state the hypothesis thus:

H_o1: Social sustainability disclosure does not affect firm value of listed financial services firms in Nigeria.

3. Data and Methods

This study employed an ex-post facto research design to examine the influence of social sustainability disclosure on the stock price of financial services firms listed in Nigeria. The study employed secondary data sourced from yearly reports, and used descriptive and inferential statistics for analysis. The population of the study consisted of fifty-one companies that were listed in the financial services sector. The sample size consisted of thirty-five firms, which were purposefully selected according to specific criteria.

The study modified the model in the study of Amedu *et al.* (2019) on value relevance of sustainability reporting in Nigerian manufacturing firms. The model of this study is stated in line with the objective of the study. The functional model stated in broad is;

MV = f (SSD) ---3.1

MV =f (WGDD, HSD, ESD) --3.2

Hence, the model is stated in econometric form in equation (3.3).

$MV_{i,t} = \beta_{it} + \beta_1 WGDD_{it} + \beta_2 HSD_{it} + \beta_3 ESD_{it} + \varepsilon_{it}$ ---3.3

Were:

$MV_{i,t}$ = Market-value of firm i in time t

WGDD = Workforce Gender Diversity (Female Workforce) Disclosure

HSD = Health and Safety Disclosure

ESD = Education Sponsorship Disclosure

ε_{it} = error term that represents other independent variables that affect the model but not captured

$i_{1, \ldots, 35}$ = Company script

$t_{2010\text{-}2020}$ = time

β_0 = Constant parameter

$\beta_{1\text{-}4}$ = Coefficients of variable

ε = Error term

a priori-expectation: $\beta_{1-4} > 0$

Table 1: Summary of Variables and their measurements

S/N	Variable	Description	Measurement	Source
1	Workforce Gender Diversity (Female Workforce) Disclosure (WGDD)	Workforce gender diversity (Female workforce) disclosure, provides a quantifiable measure of mixture contained by an organisation.	Total WGDD disclosure score divided by maximum WGDD possible for a firm.	GRI, 2013; Amedu *et al.* 2019.
2	Health and Safety Disclosure (HSD)	Health and safety disclosure describe agendas connected to supporting workforce-members, their families, or community-members regarding severe diseases.	Total human rights (HSD) disclosure score divided by maximum HSD possible for a firm.	Amedu *et-al.* 2019; Okoye & Onuora , 2019
3	Education Sponsorship Disclosure (ESD)	This indicator identifies education sponsorship programs that target to advance educational skills.	Total Society (ESD) disclosure score divided by maximum (ESD) possible for a firm.	Okoye & Onuora , 2019
4	Market Value	Market value a proxy of firm value is the prevailing shares price at the end of the period 31st December.	Market price per-share as at 31st December.	Ohlson, 1995; Atanda et al, 2021

Source: Author's compilation (2023)

4. Data Analysis and Discussions of Findings

4.1 Descriptive Statistics

The descriptive statistics are presented in Table 2, revealing that the market-value (MV), measured by share price, exhibited a mean value of 3.5418. The standard deviation of 6.83447 specifies the extent to which selected firms deviate from the mean. This value also reflects the significant variations in the market value the firms. The recorded values ranged from a maximum of 48.500 to a minimum of 0.000. The skewness of the result was estimated to be 3.465, while its kurtosis was determined to be 14.516. Three indicators of social sustainability disclosure are Workforce Gender Diversity Disclosure (WGDD), Health and Safety Disclosure (HSD), and Education Sponsorship Disclosure (ESD). The mean values for each indicator were 0.46, 1.00, and 0.66, respectively. The findings indicate that, on average, 46% of the selected companies disclosed information on WGDD, 99% of the selected firms disclosed information HSD, while 66% of the selected companies disclosed information on ESD. The standard deviations for WGDD, HSD, and ESD were found to be 0.499, 0.051, and 0.474, respectively. These values indicate notable variations from the mean and highlight the considerable variance in WGDD and ESD observed among various firms. The standard deviation of the HSD indicates the degree of proximity between the distribution and the mean value. The relative values for the maximum and minimum were 1 and 0. The result of the skewness and kurtosis indicates the absence of outliers in the series and the deviation is not normally distributed.

Table 2: Descriptive Statistics

variables	Obs	Mean	Std. Dev.	Minimum	Maximum	Skewness	Kurtosis	Sum
WGDD	382	0.46	0.499	0	1	0.148	-1.988	176
HSD	382	0.99	0.051	0	1	-19.545	382	381
ESD	382	0.66	0.474	0	1	-0.685	-1.539	252
MV	383	3.5418	6.83447	0	48.5	3.465	14.516	1352.95

Source: Author's Computation (2023)

4.2 Test of Variables

4.2.1 Correlation Matrix for the Model

Table 3 shows the correlation statistics. Correlation coefficient measures the direction and degree of association between two or more variables. The results-reveal that MV is positively and significantly-correlated with WGDD and ESD ($r = 0.172, 0.265, p=0.00$) at 5% and this implies- that any increase in MV will produce a corresponding significant increase in WGDD and ESD, vice-versa. In addition, market value measured with share price has a positive-but insignificant-relationship with HSD, with ($r = 0.025, p = 0.312$). The correlation-between social sustainability-disclosure variables, WGDD and ESD are positive correlated except for HSD and WGDD having negative relationship with ($r= -0.055, p=0.142$). The correlations matrix provides a first comprehension of the strength and direction of the relationship between the variables. Nevertheless, it is important to note that correlations may not always provide evidence of a causal relationship between variables, hence restricting their usefulness in the realm of causality. Regression analysis is a more suitable approach for this particular purpose and the results are presented.

Table 3: Pearson Correlation Matrix

	MV	WDWD	HSD	ESD
MV	1.000			
WDWD	0.172**	1.000		
HSD	0.025	-0.055	1.000	
ESD	0.265**	0.298**	0.072	1.000

**. Correlation is significant at the 0.01 level (1-tailed). * Correlation is significant at the 0.05 level (1-tailed).

Source: Authors' computation (2023)

4.2.1 Variance Inflation Factor (VIF) Test

The variance inflation factor (VIF) test is employed to assess the presence of collinearity among variables. The presence of multilinearity in the independent variables suggests the presence of an ideal correlation. In Table 4 when the independent variables are perfectly association, the parameters would exhibit undefined. In the presence of multicollinearity, it is anticipated that the coefficients would be significant standard errors. The objective of conducting the variance inflation factor test in this analysis is to assess the presence of multicollinearity. The variance inflation factor (VIF) explains the extent to which the variance of a regressor is affected by collinearity with the other regressors. In general, VIF values exceeding 10 are regarded as worrisome, indicating the presence of multicollinearity. Consequently, no variable has been identified to demonstrate a noteworthy level of multicollinearity, hence the result of the regression is unbiased.

Table 4: Variance Inflation Factor Test of Variables

Variable	Tolerance	VIF
WGDD	.905	1.105
HSD	.988	1.012
ESD	.903	1.107

Source: Authors' computation (2023)

4.3 Social Sustainability Disclosure and Firm Value

Table 5 displays the regression results of how social sustainability disclosure parameters influence firm value of financial services firms listed in Nigeria. To ensure the validity of the results as the most accurate linear unbiased estimation, various tests were conducted to assess the assumptions of line regression for the variables. The outcomes of these tests were shown in Table 5, alongside the regression analysis, to enhance the appropriateness of the findings and facilitate their interpretation. To assess the presence of autocorrelation in panel data, the study employed Durbin-Watson statistics for testing serial correlation. The value of DW statistic is 0.463 which is less than 2, indicating the presence of an autocorrelation problem within the model. Nevertheless, a robust test was conducted in accordance with similar contemporary research, such as the study conducted by Atanda et al. (2021) using least square regression to correct the problem of autocorrelation and heteroscedasticity to ensure that the results of the regression analysis are suitable for interpretation. In the process of data interpretation, the regression coefficient and probability value are fundamental elements upon which judgments are based.

Based on the obtained regression coefficient, R^2 stood at 0.08, it can be deduced that social sustainability disclosure accounts for approximately 8% of systematic changes in firm value of Nigerian listed financial services firms indicating a moderate relationship between these variables. The statistical inference capabilities of the model are supported by the F-statistic of 10.83 (p-value = 0.000), indicating statistical significance at the 5% level. Therefore, the parameters confirm the appropriateness of the model to draw statistical inference, this indicates that the notion of a considerable linearity between the dependent and explanatory factors remains and not rejected. Hence, the combined statistical-significance of the model variables is thus represented.

The results of the regression coefficient analysis indicate that there is a positive relationship between WGDD (1.971; p=0.49), HSD (0.283; p=0.777), and ESD (4.475; p=0.000) as measures of social sustainability disclosures and the market value of listed financial services firms in Nigeria. The results showed that all social sustainability disclosure variables, exhibit statistical significance in relation to the market value of listed financial services firms in Nigeria except for HSD that showed insignificant influence. The regression coefficient findings, as presented in Table 5, demonstrate that the parameters accounted for 8% of the variability in the market value of the firms. Furthermore, the model has statistical significance at 5% level. Enhancements on WGDD and ESD are anticipated to exert a significant influence on the market value of publicly traded financial services firms in Nigeria. Conversely, improvements on HSD are not expected to have a substantial effect on the share price. Therefore, HSD does not enhance increase in market value.

Table 5 shows the regression results relating to the effect of social sustainability disclosure on firm value of financial services firms listed in Nigeria. The findings of the regression analysis indicate that the social sustainability disclosure measured with WGDD, HSD and ESD exerts a positive influence on the value of firms.

Table 5. Social Sustainability Reporting and Value Relevance

	Unstandardized Coefficients		Standardized Coefficients	t	t > t
	B	Std. Error	Beta		
(Constant)	-1.212	6.649		-.182	.855
WGDD	1.412	.716	.103	1.971	.049
HSD	1.886	6.658	.014	.283	.777
ESD	3.383	.756	.234	4.475	.000
R-square					0.080
Adjusted R Square					0.073
Std. Error of the Estimate					6.610
Durbin-Watson					0.463
F-statistic					10.828
Prob. (F-statistic)					0.000

Source: Author's Compilation (2022)

4.4 Discussion of Findings

Although HSD has an insignificant influence at the 5% significance level, but notwithstanding, WGDD and ESD exhibit statistically significant effects. The findings of the study indicate that social sustainability disclosure has a significant effect on the market value of financial services firms listed in Nigeria. Consequently, the stated hypothesis that social sustainability disclosure does not affect firm value of listed financial services firms in Nigeria is rejected. The results of the study align with the research conducted by Okoye and Onuora (2019) who examined the value relevance of corporate social accounting reporting of 8 listed banks covering the period 2007-2016. The result revealed that scholarship disclosure has significant effect on firm value while health and safety disclosure have insignificant effect. The findings of this study are incongruent with the research conducted by Emeka-Nwokeji and Osisioma (2019) that examined the correlation between the market value of firms and sustainability disclosure practices. The findings indicate that the inclusion of social sustainability disclosures has a negative and not significant effect on the firms' value.

5. Conclusion and Recommendations

This study examined the effect of social sustainability disclosure on the firm value of listed financial services firms in Nigeria. Based on the findings of the regression coefficients, this study concludes that social sustainability disclosure has the potential to enhance the value of listed Nigerian financial services firms. The study indicated that financial rewards of involving in social sustainability disclosure activities compensate the associated costs in the long run. Adopting social sustainability disclosure strategies and policies will guarantee improved firms' value. This is apparent from the result which revealed that social sustainability disclosure measured by WGDD and ESD exhibit positive and statistically significant effect on firm value of the listed firms. Consequently, it was recommended that financial services firms should incorporate social sustainability disclosure practices that showcase their commitment and respect for gender diversity, specifically with regards to their female workforce, as well as their support for education sponsorship initiative since such have propensity to enhance market value.

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