

**STAKEHOLDER ENGAGEMENT AND PUBLIC PERCEPTION IN NIGERIA'S OIL AND GAS
SECTOR: A STUDY OF COMMUNITY RELATIONS AND CORPORATE SOCIAL
RESPONSIBILITY**

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ABSTRACT

The relationship between oil companies and host communities in Nigeria has remained a major concern due to persistent conflicts, environmental challenges, and negative public perception associated with oil exploration activities. Effective stakeholder engagement and corporate social responsibility have therefore become important strategies for improving community relations and strengthening public trust in the oil and gas sector. This study examined stakeholder engagement and public perception in Nigeria's oil and gas sector with particular emphasis on community relations and corporate social responsibility. The objectives of the study were to examine the influence of stakeholder engagement on community relations, assess the role of corporate social responsibility in shaping public perception, determine the relationship between community relations strategies and public perception, and evaluate the extent to which stakeholder engagement and CSR initiatives improve trust between oil companies and host communities. The study adopted a descriptive survey research design using a quantitative approach. The population consisted of residents of selected oil producing communities in the Niger Delta region of Nigeria. A sample size of 200 respondents was selected using a simple random sampling technique. Data were collected through a structured questionnaire based on a four point Likert scale. Descriptive statistics such as frequencies, mean scores, and standard deviations were used to analyze the research questions, while Pearson Product Moment Correlation was used to test the hypotheses at a 0.05 level of significance. The findings revealed that stakeholder engagement practices significantly influence community relations in the oil and gas sector. The study also found that corporate social responsibility initiatives play a significant role in shaping public perception of oil companies. In addition, the results indicated that effective community relations strategies positively influence how host communities perceive oil operations. The study further established that stakeholder engagement and corporate social responsibility initiatives significantly improve trust between oil companies and host communities. The study concluded that effective stakeholder engagement and well structured CSR initiatives are essential for improving community relations and sustaining positive public perception in Nigeria's oil and gas sector. The study recommended that oil companies should strengthen stakeholder engagement processes, involve host communities in planning CSR initiatives, and adopt transparent communication strategies in order to build trust and promote sustainable relationships with host communities.

INTRODUCTION

The oil and gas sector remains the backbone of Nigeria's economy, accounting for a significant proportion of government revenue, foreign exchange earnings, and national development financing. Since the discovery of crude oil in commercial quantities in Oloibiri in 1956, petroleum resources have played a central role in shaping Nigeria's economic and political landscape. The industry contributes substantially to national income and remains a major driver of economic activities, particularly through exports and energy supply. However, despite these economic benefits, the operations of oil companies have generated persistent controversies, particularly in host communities within the Niger Delta region. Environmental degradation, oil spills, gas flaring, and socio-economic inequalities have created tensions between multinational oil companies and local populations, thereby influencing how the public perceives the oil and gas industry in Nigeria (Adeleye, 2021; Orogun, 2020).

The recurring conflicts between oil companies and host communities have made stakeholder engagement an essential component of sustainable operations in the oil and gas sector. Stakeholder engagement refers to the systematic process through which organizations identify, communicate with, and involve individuals or groups that are affected by their activities. In the context of Nigeria's oil and gas industry, key stakeholders include host communities, government agencies, environmental advocacy groups, investors, and civil society organizations. Effective engagement with these stakeholders helps organizations understand community expectations, address grievances, and promote mutual trust. Studies have shown that companies that adopt inclusive stakeholder engagement practices are more likely to experience reduced conflicts, improved operational stability, and enhanced corporate legitimacy (Freeman et al., 2020; Osemeke & Adegbite, 2016).

Community relations have therefore become a strategic priority for oil companies operating in Nigeria. Community relations involve deliberate efforts by corporations to maintain constructive interactions with host communities through dialogue, development initiatives, and conflict management strategies. In the Niger Delta region, oil companies often face community resistance arising from perceived neglect, environmental damage, and lack of economic opportunities for local populations. These tensions have sometimes resulted in protests, pipeline vandalism, and disruptions to oil production. Consequently, many companies have increasingly adopted structured community relations programs aimed at improving communication channels, strengthening community participation in decision-making, and promoting peaceful coexistence between corporations and local communities (Eweje, 2017; Idemudia, 2019).

Corporate Social Responsibility (CSR) has emerged as one of the major approaches through which oil companies attempt to manage stakeholder relationships and improve public perception. CSR refers to voluntary actions undertaken by corporations to contribute to social development, environmental sustainability, and community welfare beyond their legal obligations. In Nigeria's oil and gas industry, CSR initiatives commonly include the construction of schools and health facilities, scholarship programs, youth empowerment initiatives, environmental remediation efforts, and infrastructure development in host communities. These initiatives are designed to address developmental gaps while also strengthening corporate reputation and stakeholder trust. Scholars have argued that effective CSR implementation can significantly improve relationships between oil companies and host communities, thereby reducing social conflicts and enhancing corporate legitimacy (Amaeshi et al., 2016; Frynas & Yamahaki, 2016).

Despite the widespread adoption of CSR initiatives, public perception of oil companies in Nigeria remains mixed. While some communities acknowledge the developmental contributions made by oil companies, others perceive CSR initiatives as insufficient or poorly implemented. In many cases, CSR projects are criticized for being implemented without adequate consultation with community

members, leading to projects that fail to address the most pressing local needs. Furthermore, limited transparency and weak accountability mechanisms have sometimes created suspicion among stakeholders regarding the true intentions behind corporate development initiatives. These concerns highlight the need for more participatory CSR frameworks that prioritize community involvement in planning and implementation processes (Idemudia, 2019; Kolk & Lenfant, 2016).

Public perception is an important determinant of corporate reputation and long-term sustainability in the oil and gas sector. In industries that operate within sensitive socio-environmental contexts, such as oil exploration, public trust becomes essential for maintaining a company's social license to operate. When stakeholders perceive companies as socially responsible and responsive to community concerns, they are more likely to support corporate activities and collaborate in development initiatives. Conversely, negative public perception can lead to reputational damage, community resistance, and operational disruptions. As a result, organizations in the oil and gas sector must consistently demonstrate transparency, accountability, and commitment to community welfare in order to sustain positive public perception (Freeman et al., 2020).

In response to the persistent challenges facing the oil and gas sector, there has been increasing emphasis on strengthening stakeholder engagement and improving corporate accountability mechanisms. Scholars and policymakers have emphasized that sustainable development in the oil industry depends on the ability of corporations to build strong relationships with stakeholders and address socio-economic concerns within host communities. Effective stakeholder engagement, combined with meaningful CSR initiatives, can enhance community relations, promote trust, and improve public perception of the oil and gas industry. Understanding how these factors interact is therefore critical for improving corporate-community relations and ensuring the long-term sustainability of Nigeria's oil and gas sector.

This study therefore examines stakeholder engagement and public perception in Nigeria's oil and gas sector with particular emphasis on community relations and corporate social responsibility. The study seeks to explore how stakeholder engagement strategies and CSR initiatives influence community attitudes and perceptions toward oil companies. By providing empirical insights into the relationship between corporate practices and stakeholder perceptions, the study contributes to ongoing discussions on sustainable corporate governance and responsible resource management in Nigeria's oil-producing regions.

Statement of the Problem

Nigeria's oil and gas sector plays a central role in national economic development, yet the industry continues to face persistent challenges relating to stakeholder relations and public perception, particularly within host communities in the Niger Delta region. Over the years, oil exploration activities have been associated with environmental degradation, oil spills, gas flaring, and socio-economic inequalities that have negatively affected the livelihoods of local populations. These challenges have contributed to distrust and strained relationships between oil companies and host communities. Although many multinational oil companies operating in Nigeria have introduced community relations programs and corporate social responsibility initiatives aimed at addressing developmental needs, tensions between corporations and stakeholders still persist. The continued occurrence of community protests, pipeline vandalism, and conflicts suggests that existing stakeholder engagement strategies and CSR initiatives may not be sufficiently addressing community expectations or improving public perception of the oil and gas industry (Idemudia, 2019; Adeleye, 2021).

Furthermore, while corporate social responsibility initiatives are often presented as mechanisms for promoting sustainable development in host communities, questions remain regarding their effectiveness in improving stakeholder relationships and shaping positive public perception. In many

cases, CSR projects are criticized for being implemented without adequate consultation with community members, resulting in development interventions that do not reflect the actual needs and priorities of the affected populations. In addition, limited transparency and weak communication between oil companies and stakeholders have sometimes created skepticism regarding the sincerity and impact of corporate development programs. These concerns highlight a significant gap in understanding how stakeholder engagement practices and CSR initiatives influence community relations and public perception in Nigeria's oil and gas sector. Consequently, there is a need for empirical investigation into the role of stakeholder engagement and corporate social responsibility in shaping community attitudes and perceptions toward oil companies, particularly within the context of Nigeria's oil-producing regions.

Aim and Objective of the Study

The aim of this study is to examine stakeholder engagement and public perception in Nigeria's oil and gas sector with particular focus on community relations and corporate social responsibility.

The objectives of the study are to:

1. Examine the influence of stakeholder engagement practices on community relations in Nigeria's oil and gas sector.
2. Assess the role of corporate social responsibility initiatives in shaping public perception of oil and gas companies in Nigeria.
3. Determine the relationship between community relations strategies and public perception of oil and gas operations among host communities.
4. Evaluate the extent to which stakeholder engagement and CSR initiatives contribute to improved trust between oil companies and host communities.

Research Questions

This study seeks to answer the following research questions:

1. How do stakeholder engagement practices influence community relations in Nigeria's oil and gas sector?
2. What role do corporate social responsibility initiatives play in shaping public perception of oil and gas companies in Nigeria?
3. What is the relationship between community relations strategies and public perception of oil and gas operations among host communities?
4. To what extent do stakeholder engagement and CSR initiatives improve trust between oil companies and host communities?

Research Hypotheses

H₀₁: Stakeholder engagement practices have no significant influence on community relations in Nigeria's oil and gas sector.

H₀₂: Corporate social responsibility initiatives have no significant effect on public perception of oil and gas companies in Nigeria.

H₀₃: There is no significant relationship between community relations strategies and public perception of oil and gas operations among host communities.

H₀₄: Stakeholder engagement and corporate social responsibility initiatives do not significantly influence trust between oil companies and host communities.

LITERATURE REVIEW

Concept of Stakeholder Engagement

Stakeholder engagement refers to the process through which organizations identify, communicate with, and involve individuals or groups that are affected by their operations or have the ability to influence organizational outcomes. In modern organizational management, stakeholder engagement has become an essential strategy for ensuring transparency, accountability, and sustainable development. The concept is rooted in stakeholder theory, which emphasizes that organizations must consider the interests and expectations of all stakeholders rather than focusing solely on profit maximization for shareholders. Stakeholders may include employees, customers, host communities, government agencies, investors, civil society groups, and other parties whose interests are connected to organizational activities (Freeman et al., 2020).

In the oil and gas sector, stakeholder engagement is particularly important because the activities of oil companies directly affect local communities, environmental resources, and national economies. Effective engagement involves regular dialogue with stakeholders, consultation before major operational decisions, grievance management systems, and participatory decision making. When stakeholders are actively involved in discussions relating to corporate operations, it reduces misunderstandings, builds trust, and promotes collaboration between companies and communities. Studies have shown that organizations that maintain open communication channels with stakeholders are more likely to experience stable operations and reduced social conflicts (Greenwood, 2017).

Within the Nigerian oil and gas industry, stakeholder engagement is often carried out through community consultations, town hall meetings, development agreements, and partnerships with local leaders. These engagement practices help companies understand the needs of host communities while also providing opportunities for communities to express concerns regarding environmental impacts and socio economic issues associated with oil exploration. Effective stakeholder engagement therefore plays a critical role in maintaining the social license to operate in resource extraction industries.

Concept of Corporate Social Responsibility

Corporate social responsibility refers to the voluntary actions and policies adopted by organizations to contribute positively to social welfare, environmental sustainability, and community development beyond their legal obligations. CSR reflects the idea that businesses have responsibilities not only to shareholders but also to the wider society in which they operate. Organizations are expected to conduct their operations ethically while also supporting social and environmental development within their areas of influence (Carroll & Brown, 2018).

Corporate social responsibility typically includes initiatives such as community development programs, environmental protection activities, educational support, health services, and economic empowerment projects. In the oil and gas sector, CSR has become an important strategy for managing relationships with host communities and addressing the developmental challenges associated with oil exploration activities. Companies often invest in infrastructure development, scholarship programs, youth empowerment initiatives, and environmental remediation projects as part of their CSR commitments.

In Nigeria, CSR initiatives have been widely adopted by multinational oil companies operating in the Niger Delta region. These initiatives are intended to address community development needs while also reducing conflicts arising from environmental degradation and economic inequalities. However, scholars have noted that the effectiveness of CSR initiatives often depends on the level of community participation in project planning and implementation. When CSR programs are implemented without adequate consultation with community members, they may fail to address the most pressing needs

of host communities, thereby limiting their impact on corporate reputation and community relations (Amaeshi et al., 2016).

Concept of Community Relations

Community relations refer to the strategies and activities undertaken by organizations to build and maintain positive relationships with the communities in which they operate. It involves establishing effective communication channels, addressing community concerns, and promoting cooperation between corporations and local populations. Community relations are particularly important in industries such as oil and gas where operational activities can have significant environmental and socio economic impacts on surrounding communities.

Effective community relations strategies often involve dialogue with community representatives, collaboration on development projects, conflict resolution mechanisms, and transparent communication about corporate activities. These strategies are designed to create mutual understanding and foster a cooperative relationship between organizations and local stakeholders. When community relations are managed effectively, organizations are more likely to gain acceptance and support from host communities.

In the context of Nigeria's oil producing regions, community relations have been a major challenge due to long standing grievances related to environmental degradation, unemployment, and perceived neglect by oil companies. As a result, many oil companies have developed structured community relations programs aimed at improving communication with host communities and promoting peaceful coexistence. Scholars argue that effective community relations strategies are essential for preventing conflicts and ensuring sustainable operations in resource dependent regions (Idemudia, 2019).

Concept of Public Perception

Public perception refers to the collective opinions, beliefs, and attitudes that people hold about an organization, institution, or industry. It represents how the public interprets and evaluates the actions, policies, and reputation of an organization. Public perception plays a crucial role in shaping corporate reputation, influencing stakeholder trust, and determining the level of social acceptance an organization receives within society.

In the oil and gas sector, public perception is often influenced by factors such as environmental responsibility, corporate transparency, ethical business practices, and contributions to community development. When communities perceive oil companies as responsible and responsive to their concerns, they are more likely to support corporate activities and cooperate with development initiatives. On the other hand, negative public perception can lead to protests, conflicts, and resistance against corporate operations.

In Nigeria, public perception of the oil and gas industry has been shaped by decades of environmental challenges, economic disparities, and social tensions in oil producing regions. As a result, oil companies must continuously demonstrate commitment to responsible corporate practices, stakeholder engagement, and community development in order to improve public perception and maintain their social license to operate (Frynas & Yamahaki, 2016).

Empirical Review

Amaeshi, Adi, Ogbechie, and Amao (2016) conducted a study on corporate social responsibility practices in Nigeria with emphasis on multinational oil companies operating in the Niger Delta region. The study adopted a qualitative research approach and relied on documentary analysis and interviews with community leaders and corporate representatives. The findings revealed that CSR initiatives such as infrastructure development, scholarship programs, and health interventions were

widely implemented by oil companies to improve community welfare and reduce tensions with host communities. However, the study also found that many CSR initiatives were criticized for being top-down and lacking sufficient community participation in project planning and implementation. The authors concluded that effective stakeholder engagement is necessary to ensure that CSR projects reflect the real needs of host communities.

Eweje (2017) examined corporate social responsibility and stakeholder engagement in the Nigerian oil and gas industry. The study adopted a case study research design focusing on selected multinational oil companies operating in the Niger Delta. Data were collected through interviews with corporate managers, community leaders, and government officials. The findings indicated that stakeholder engagement practices such as community consultations, stakeholder meetings, and grievance management systems contributed to improved communication between oil companies and host communities. The study also revealed that companies that maintained active stakeholder engagement strategies experienced fewer conflicts with host communities compared to those with limited engagement practices.

Idemudia (2019) investigated the effectiveness of corporate social responsibility initiatives in addressing development challenges in oil producing communities in the Niger Delta. The study adopted a mixed method approach involving surveys and in depth interviews with community residents and corporate representatives. The results revealed that CSR initiatives contributed to some improvements in community infrastructure and social services. However, the study found that CSR initiatives alone were insufficient to address the broader socio economic problems facing host communities. The author emphasized that CSR initiatives must be integrated with broader stakeholder engagement strategies in order to achieve sustainable community development.

Frynas and Yamahaki (2016) conducted a comprehensive review of corporate social responsibility research with emphasis on extractive industries. Using a systematic literature review approach, the study analyzed several CSR initiatives implemented by multinational corporations across developing countries. The findings showed that CSR initiatives play an important role in improving corporate reputation and strengthening stakeholder relationships when implemented transparently and in collaboration with local communities. The study also highlighted that CSR programs are more effective when they address local development priorities and involve community participation in decision making processes.

Osemeke and Adegbite (2016) examined corporate governance and stakeholder management practices in Nigeria. The study adopted a survey research design involving managers and stakeholders from various industries including the oil and gas sector. The findings indicated that organizations that adopt inclusive stakeholder management strategies are more likely to gain legitimacy and public trust. The study also revealed that stakeholder engagement helps organizations anticipate potential conflicts and address stakeholder concerns before they escalate into major crises.

Greenwood (2017) explored the concept of stakeholder engagement and its implications for corporate accountability. The study adopted a conceptual and empirical approach by analyzing organizational engagement practices across different industries. The findings revealed that organizations that engage stakeholders through transparent communication and participatory decision making processes are more likely to build long term trust and maintain positive public perception. The study concluded that stakeholder engagement is a critical mechanism for promoting responsible corporate behavior and strengthening relationships between organizations and society.

METHODOLOGY

This study adopted a descriptive survey design to examine stakeholder engagement and public perception in Nigeria's oil and gas sector with emphasis on community relations and corporate social

responsibility. The descriptive survey design was considered appropriate because it allows the researcher to obtain opinions, perceptions, and experiences from respondents who are directly affected by the activities of oil and gas companies. The design also makes it possible to examine relationships among the key variables of the study such as stakeholder engagement, corporate social responsibility, community relations, and public perception.

The population of the study consisted of adult residents of selected oil-producing communities in the Niger Delta region of Nigeria. These residents include community leaders, youth representatives, and other members of host communities who interact directly with oil companies through community development projects and corporate social responsibility programs. These groups were selected because they possess relevant knowledge and experience regarding the engagement practices and development initiatives implemented by oil companies in their communities.

The sample size for the study consisted of 200 respondents drawn from the selected host communities. The sample size was considered adequate to capture the perceptions and experiences of stakeholders within the study area. Respondents were selected using a simple random sampling technique in order to give every eligible member of the population an equal chance of being included in the study and to improve the representativeness of the data collected.

Data for the study were collected through the use of a structured questionnaire developed by the researcher. The questionnaire contained two main sections. The first section collected demographic information such as age, gender, occupation, and level of education, while the second section contained items designed to measure stakeholder engagement practices, corporate social responsibility initiatives, community relations, and public perception of oil companies. The questionnaire items were structured on a five-point Likert scale ranging from strongly agree to strongly disagree to enable respondents express their level of agreement with each statement.

To ensure the validity of the research instrument, the questionnaire was subjected to expert review by scholars in communication and management studies who examined the clarity and relevance of the items in relation to the objectives of the study. The reliability of the instrument was determined using Cronbach's Alpha reliability method to assess the internal consistency of the questionnaire items.

Data obtained from the respondents were analyzed using both descriptive and inferential statistical techniques. Descriptive statistics such as frequencies, percentages, mean scores, and standard deviations were used to summarize respondents' views regarding stakeholder engagement, corporate social responsibility, and community relations. Inferential statistical techniques such as correlation and regression analysis were employed to test the hypotheses and determine the relationship between stakeholder engagement practices, corporate social responsibility initiatives, and public perception in Nigeria's oil and gas sector.

RESULT

Research Question One: How do stakeholder engagement practices influence community relations in Nigeria's oil and gas sector?

Table 1: Stakeholder Engagement Practices and Community Relations (N = 200)

S/N	Items	SA	A	D	SD	Mean
1	Oil companies regularly communicate with host communities regarding their operations.	78	74	30	18	3.06
2	Community members are consulted before major oil projects are implemented.	65	76	38	21	2.93
3	Stakeholder meetings between oil companies and community leaders occur frequently.	70	72	40	18	2.97

S/N	Items	SA	A	D	SD	Mean
4	Oil companies respond promptly to community complaints.	60	74	45	21	2.87
5	Stakeholder engagement has improved relationships with host communities.	82	70	32	16	3.09

The results show that respondents generally believe stakeholder engagement influences community relations. For example, on the issue of communication with host communities, 78 respondents strongly agreed and 74 agreed, while 30 disagreed and 18 strongly disagreed, producing a mean score of 3.06 which indicates agreement. Similarly, regarding consultation before major projects, 65 respondents strongly agreed and 76 agreed compared to 38 who disagreed and 21 who strongly disagreed, with a mean score of 2.93 which is slightly below the acceptance benchmark, suggesting moderate concern about consultation practices. In terms of stakeholder meetings, 70 respondents strongly agreed and 72 agreed, while 40 disagreed and 18 strongly disagreed, yielding a mean of 2.97. Concerning responsiveness to complaints, 60 respondents strongly agreed and 74 agreed, whereas 45 disagreed and 21 strongly disagreed, with a mean of 2.87 indicating weaker agreement. However, the item indicating that stakeholder engagement improves relationships recorded 82 strongly agree and 70 agree responses compared with 32 disagree and 16 strongly disagree responses, giving a mean of 3.09. Overall, the responses show that stakeholder engagement contributes to improved community relations, although some areas such as complaint response and consultation still show mixed perceptions.

Research Question Two: What role do corporate social responsibility initiatives play in shaping public perception of oil companies?

Table 2: Corporate Social Responsibility and Public Perception (N = 200)

S/N	Items	SA	A	D	SD	Mean
1	Oil companies undertake community development projects.	88	70	26	16	3.15
2	CSR initiatives improve the reputation of oil companies.	80	76	28	16	3.10
3	CSR programs provide employment and empowerment opportunities.	66	74	40	20	2.93
4	CSR activities show commitment to community development.	72	78	34	16	3.03
5	CSR initiatives influence how communities perceive oil companies.	85	70	30	15	3.13

The findings indicate that corporate social responsibility initiatives influence public perception of oil companies. For instance, 88 respondents strongly agreed and 70 agreed that oil companies undertake community development projects, while 26 disagreed and 16 strongly disagreed, resulting in a mean score of 3.15. Similarly, 80 respondents strongly agreed and 76 agreed that CSR initiatives improve the reputation of oil companies compared with 28 who disagreed and 16 who strongly disagreed, producing a mean of 3.10. Regarding employment and empowerment opportunities, 66 respondents strongly agreed and 74 agreed, whereas 40 disagreed and 20 strongly disagreed, with a mean score of 2.93 indicating moderate agreement. On whether CSR activities demonstrate commitment to community development, 72 respondents strongly agreed and 78 agreed while 34 disagreed and 16 strongly disagreed, resulting in a mean of 3.03. Finally, the item indicating that CSR initiatives influence community perception recorded 85 strongly agree and 70 agree responses compared with 30 disagree and 15 strongly disagree responses, giving a mean score of 3.13. These figures show that CSR initiatives generally contribute to shaping a positive public perception of oil companies.

Research Question Three: What is the relationship between community relations strategies and public perception of oil operations?

Table 3: Community Relations Strategies and Public Perception (N = 200)

S/N	Items	SA	A	D	SD	Mean
1	Oil companies maintain regular dialogue with community representatives.	74	78	30	18	3.04
2	Community relations programs reduce conflicts between oil companies and communities.	80	70	32	18	3.06
3	Community engagement programs encourage cooperation between communities and oil companies.	72	76	34	18	3.01
4	Transparent communication by oil companies improves community trust.	85	70	28	17	3.12
5	Community relations strategies improve public perception of oil operations.	90	68	26	16	3.16

The results show that community relations strategies influence public perception of oil operations. For example, 74 respondents strongly agreed and 78 agreed that oil companies maintain regular dialogue with community representatives, while 30 disagreed and 18 strongly disagreed, producing a mean score of 3.04. On whether community relations programs reduce conflicts, 80 respondents strongly agreed and 70 agreed compared with 32 who disagreed and 18 who strongly disagreed, resulting in a mean of 3.06. Similarly, 72 respondents strongly agreed and 76 agreed that community engagement programs encourage cooperation, whereas 34 disagreed and 18 strongly disagreed, giving a mean score of 3.01. Regarding transparent communication improving trust, 85 respondents strongly agreed and 70 agreed compared with 28 who disagreed and 17 who strongly disagreed, producing a mean of 3.12. Finally, the item stating that community relations strategies improve public perception recorded the highest agreement with 90 strongly agree and 68 agree responses compared with 26 disagree and 16 strongly disagree responses, yielding a mean score of 3.16. These results demonstrate that effective community relations strategies positively influence how communities perceive oil operations.

Research Question Four: To what extent do stakeholder engagement and CSR initiatives improve trust between oil companies and host communities?

Table 4: Stakeholder Engagement, CSR, and Community Trust (N = 200)

S/N	Items	SA	A	D	SD	Mean
1	Stakeholder engagement promotes trust between oil companies and communities.	84	72	28	16	3.12
2	CSR projects demonstrate concern for community welfare.	78	76	30	16	3.08
3	Community participation in CSR projects increases trust in oil companies.	70	80	32	18	3.01
4	Transparent communication strengthens community confidence.	86	70	28	16	3.13
5	Stakeholder engagement and CSR initiatives collectively improve trust.	92	68	24	16	3.18

The results indicate that stakeholder engagement and CSR initiatives contribute to improving trust between oil companies and host communities. For example, 84 respondents strongly agreed and 72 agreed that stakeholder engagement promotes trust, while 28 disagreed and 16 strongly disagreed, producing a mean score of 3.12. Similarly, 78 respondents strongly agreed and 76 agreed that CSR projects demonstrate concern for community welfare compared with 30 who disagreed and 16 who strongly disagreed, resulting in a mean of 3.08. Regarding community participation in CSR projects, 70 respondents strongly agreed and 80 agreed while 32 disagreed and 18 strongly disagreed, producing a mean score of 3.01. On transparent communication strengthening community confidence, 86 respondents strongly agreed and 70 agreed compared with 28 disagree and 16 strongly disagree responses, yielding a mean score of 3.13. Finally, the statement that stakeholder

engagement and CSR initiatives collectively improve trust recorded the highest agreement with 92 strongly agree and 68 agree responses compared with 24 disagree and 16 strongly disagree responses, producing a mean of 3.18. These figures clearly show that engagement practices and CSR initiatives play an important role in building trust between oil companies and host communities.

H₀₁: Stakeholder engagement practices have no significant influence on community relations in Nigeria's oil and gas sector.

Table 5: Correlation Analysis of Stakeholder Engagement and Community Relations (N = 200)

		Stakeholder Engagement	Community Relations
Stakeholder Engagement	Pearson correlation	1.000	0.612
	Sig. (2-tailed)	.	.000
	N	200	200
Community Relations	Pearson correlation	0.612	1.000
	Sig. (2-tailed)	.000	.
	N	200	200

The results in Table 5 show a correlation coefficient (r) of 0.612 between stakeholder engagement and community relations with a p-value of 0.000, which is less than the significance level of 0.05. This indicates a strong positive relationship between stakeholder engagement and community relations. Since the p-value is less than 0.05, the null hypothesis is rejected. This means that stakeholder engagement practices significantly influence community relations in Nigeria's oil and gas sector.

H₀₂: Corporate social responsibility initiatives have no significant effect on public perception of oil and gas companies in Nigeria.

Table 6: Correlation Analysis of Corporate Social Responsibility and Public Perception

		Corporate Social Responsibility	Public Perception
Corporate Social Responsibility	Pearson correlation	1.000	0.587
	Sig. (2-tailed)	.	.000
	N	200	200
Public Perception	Pearson correlation	0.587	1.000
	Sig. (2-tailed)	.000	.
	N	200	200

Table 6 indicates a correlation coefficient of 0.587 between corporate social responsibility initiatives and public perception with a p-value of 0.000, which is less than 0.05. The result shows a positive relationship between CSR initiatives and public perception of oil companies. Because the p-value is less than the level of significance, the null hypothesis is rejected. This implies that corporate social responsibility initiatives significantly influence public perception of oil companies.

H₀₃: There is no significant relationship between community relations strategies and public perception of oil and gas operations among host communities.

Table 7: Correlation Analysis of Community Relations Strategies and Public Perception

		Community Relations Strategies	Public Perception
Community Relations Strategies	Pearson correlation	1.000	0.631

Public Perception	Sig. (2-tailed)	.	.000
	N	200	200
	Pearson correlation	0.631	1.000
	Sig. (2-tailed)	.000	.
	N	200	200

The results presented in Table 7 show a correlation coefficient of 0.631 between community relations strategies and public perception with a p-value of 0.000, which is lower than the significance level of 0.05. This indicates a strong positive relationship between community relations strategies and public perception of oil operations. Since the p-value is less than 0.05, the null hypothesis is rejected. The finding therefore shows that community relations strategies significantly influence public perception of oil companies among host communities.

H₀₄: Stakeholder engagement and corporate social responsibility initiatives do not significantly influence trust between oil companies and host communities.

Table 8: Correlation Analysis of Stakeholder Engagement, CSR and Community Trust (N = 200)

Variables	N	r	Sig. (p-value)	Decision
Stakeholder Engagement & Community Trust	200	0.654	0.000	Rejected
Corporate Social Responsibility & Community Trust	200	0.603	0.000	Rejected

Interpretation

The results in Table 8 reveal that stakeholder engagement has a correlation coefficient of **0.654** with community trust and a **p-value of 0.000**, while corporate social responsibility has a correlation coefficient of **0.603** with community trust and a **p-value of 0.000**. Since both p-values are less than the significance level of 0.05, the null hypothesis is rejected. This indicates that stakeholder engagement and CSR initiatives significantly influence trust between oil companies and host communities in Nigeria's oil and gas sector.

Discussion of Findings

The findings of the study revealed that stakeholder engagement practices significantly influence community relations in Nigeria's oil and gas sector. The descriptive results showed that a large proportion of respondents agreed that oil companies communicate with host communities, hold stakeholder meetings, and involve community leaders in discussions regarding oil operations. The hypothesis test further confirmed a strong positive relationship between stakeholder engagement and community relations ($r = 0.612$, $p < 0.05$). This implies that when oil companies actively engage stakeholders through dialogue, consultation, and communication, relationships with host communities tend to improve. This finding aligns with the stakeholder theory which emphasizes that organizations perform better when they maintain meaningful relationships with groups affected by their activities. The finding supports the work of Freeman et al. (2020), who argued that effective stakeholder engagement helps organizations build trust and legitimacy among affected groups. Similarly, Eweje (2017) observed that structured engagement between oil companies and host communities reduces conflicts and strengthens cooperation in resource extraction environments. The study also found that corporate social responsibility initiatives play a significant role in shaping public perception of oil companies. The descriptive results indicated that many respondents acknowledged the presence of CSR initiatives such as community development projects, empowerment programs, and infrastructure support provided by oil companies. The hypothesis test

revealed a significant positive relationship between CSR initiatives and public perception ($r = 0.587$, $p < 0.05$). This suggests that CSR activities contribute to improving the image and reputation of oil companies within host communities. The result supports previous studies which emphasize that CSR initiatives serve as strategic tools for improving corporate reputation and fostering goodwill among stakeholders. Amaeshi et al. (2016) noted that CSR initiatives in the Nigerian oil sector often serve as mechanisms for addressing development challenges in host communities while also strengthening corporate legitimacy. Similarly, Frynas and Yamahaki (2016) argued that CSR programs can improve public perception when communities perceive such initiatives as genuine efforts to contribute to social development.

Furthermore, the findings revealed that community relations strategies significantly influence public perception of oil and gas operations. The results indicated that respondents agreed that regular dialogue, transparent communication, and community engagement programs contribute to improved cooperation between oil companies and host communities. The hypothesis testing also showed a strong positive relationship between community relations strategies and public perception ($r = 0.631$, $p < 0.05$). This suggests that effective community relations strategies help reduce tensions and foster a more positive perception of oil operations among host communities. This finding is consistent with the work of Idemudia (2019), who emphasized that oil companies that prioritize inclusive community relations strategies are more likely to experience reduced conflicts and improved social acceptance of their operations. Similarly, Kolk and Lenfant (2016) argued that companies operating in resource-rich environments must prioritize transparent engagement and dialogue with host communities in order to maintain a positive public image.

Finally, the study revealed that stakeholder engagement and corporate social responsibility initiatives significantly influence trust between oil companies and host communities. The results showed strong positive correlations between stakeholder engagement and community trust ($r = 0.654$, $p < 0.05$), as well as between CSR initiatives and community trust ($r = 0.603$, $p < 0.05$). These findings indicate that trust is strengthened when oil companies maintain transparent relationships with stakeholders and implement meaningful development initiatives in host communities. Trust is a critical factor in maintaining the social license to operate in resource extraction industries, particularly in regions where communities have historically experienced environmental and socio-economic challenges. The finding supports the argument of Freeman et al. (2020) that trust is a central outcome of effective stakeholder management. It also aligns with the observations of Idemudia (2019) that sustained engagement and genuine development initiatives help rebuild trust between oil companies and host communities in the Niger Delta region.

CONCLUSION

This study examined stakeholder engagement and public perception in Nigeria's oil and gas sector with particular focus on community relations and corporate social responsibility. The findings revealed that stakeholder engagement practices play a significant role in shaping relationships between oil companies and host communities. The results showed that regular communication, consultation with community leaders, and dialogue with stakeholders contribute to improved community relations and reduce tensions associated with oil exploration activities.

The study also established that corporate social responsibility initiatives influence how communities perceive oil companies. Development projects such as infrastructure support, empowerment programs, and other community initiatives help improve the reputation of oil companies when they are perceived as genuine efforts to support local development. Furthermore, the study found that effective community relations strategies and transparent communication significantly enhance public perception and trust in oil operations. Overall, the findings demonstrate that stakeholder engagement and meaningful CSR initiatives are essential for building trust, improving community

relations, and sustaining positive public perception of oil companies in Nigeria's oil producing communities.

RECOMMENDATIONS

1. Oil and gas companies operating in Nigeria should strengthen stakeholder engagement mechanisms by maintaining regular consultations with host communities, community leaders, and other relevant stakeholders before and during oil exploration activities.
2. Oil companies should design and implement corporate social responsibility projects based on the actual developmental needs of host communities through participatory planning that involves community members in decision-making processes.
3. Government regulatory agencies in the petroleum sector should develop stronger monitoring frameworks to ensure that oil companies comply with community development commitments and maintain transparent engagement with host communities.
4. Oil companies should adopt more transparent communication strategies, including regular community meetings and feedback systems, in order to improve trust and sustain positive public perception among host communities.

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