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SHAREHOLDERS PARTICIPATION, HOST COMMUNITY ENGAGEMENT AND SUSTAINABLE GROWTH OF LISTED CONSUMER GOODS FIRMS IN NIGERIA

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ABSTRACT

The study empirically investigated the effect of shareholders participation and host community engagement on sustainable growth of firms in Nigeria. Two hypotheses were formulated to guide the investigation and the statistical test of parameter estimates was conducted using panel least squares regression model. 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 2013-2022. The results of the study show that shareholders participation and host community engagement have positive and significant effect on sustainable growth of listed consumer goods firms in Nigeria. Thus, the study concludes that shareholders participation and host community engagement ensure corporate sustainable growth in Nigeria. The study therefore recommends that managers of listed firms in Nigeria should look for more effective ways to engage shareholders on environmental initiatives as this will send strong signals to other investors which clearly show that the firm is genuinely committed towards environmental sustainability initiatives which ensures firms' sustainable growth. Also, host community should always be engaged in order to enable the business achieve its sustainable goals.

Key words: *Host Community Engagement; Shareholders Participation, Sustainable Growth.*

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1. INTRODUCTION

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 and employees while shareholders participation and host community engagement have received little attention which calls for further clarity. Against this backdrop, this study seeks to examine the effect of shareholders participation and host community engagement on sustainable growth of firms with particular reference to consumer goods firms listed on the floors of the Nigerian Exchange Group (NGX). Also, 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 them (Berebon & Sorbarikor, 2020). The level of engagement of firms' stakeholders is 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 host communities (Abdelfattah & Aboud, 2020; Chuah, El-Manstrly, Tseng & Ramayah, 2020). This has resulted to a decrease in government revenue, information asymmetry, and low product quality, 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.

1.1 Objectives

Given that the consequences of inadequate stakeholder engagement in developing countries, as well as the continued neglect of host communities in business practices as part of the drive to adhere to certain evolving global issues, the present study becomes a necessity to further investigate the host community engagement and shareholders participation and its implication on sustainable growth of firms in Nigeria using the listed consumer goods firms in Nigeria as a reference point. Specifically, the study seeks to achieve the following objectives:

1. evaluate the effect of shareholders participation on sustainable growth of consumer goods firms in Nigeria
2. ascertain the effect of host community engagement on sustainable growth of consumer goods firms in Nigeria

1.2 Hypotheses

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}: Host Community Engagement has no significant effect on sustainable growth of consumer goods firms in Nigeria

2. LITERATURE REVIEW

2.1 Conceptual Review

2.1.1 Shareholders Participation

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 taken 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 director 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.

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). Proper consideration of the composition of the shareholders in the board is also very essential. Board composition is the combination of executives and non-executives that makes up the board of director of the organization (Marouan & Moez, 2015). Board composition can also be described as the number of board members that are non-executive relative to those that are executives. Member of board of directors are categorized into two in terms of their relationship with the operational and managerial activities of the business organization. Executive directors are those members of the board of directors that engaged in the daily operational and managerial activities of the organization, they an employee and shareholders, elected as board members (Marouan & Moez, 2015).

2.1.2 Host Community Engagement

Host community 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. As reported by Mbalyohere and Lawton (2021), effective host community 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 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.

In collaborative host community engagement as reported by Ioannou and Serafeim (2021), the voices of community members are given a platform to be heard and valued. This creates a sense of ownership and empowerment among the residents, as they actively participate in the decision-making process. It also encourages transparency and accountability from all parties involved, building trust, and strengthening relationships within the community. Collaboration also enables organizations and government entities to tap into the knowledge and expertise of community members. By involving them in the process, they gain access to valuable insights, local knowledge, and lived experiences that can inform and shape the solutions being developed. This not only leads to more effective and tailored approaches but also fosters a sense of pride and investment in the community's well-being. This also allows for the pooling of resources and the sharing of responsibilities. By working together, community members, organizations, and government entities can leverage each other's strengths to address complex issues that may be beyond the capacity of any one entity. This collective effort ensures that the solutions generated are sustainable and have a lasting impact on the community (Isike & Aje, 2023).

2.1.3 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 Buffa, Franch and Rizio (2020) 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).

2.2 Theoretical Framework

2.2.1 Resource Based View Theory

Resource-Based View (RBV) theory was propounded in the year 1991 by Barney. The theory stipulates that an organization's resources include financial, natural, capital and intangible assets. The theory argues that, given that resources are common, valuable, inimitable, and non-replaceable, it’s possible for a firm to become competitive. The advocates of RBV theory emphasize maximizing the use of available funds in all new enterprises as opposed to acquiring new resources (Biggs, 2016). An organization's resources can be categorized into intangible and tangible assets. The intangible assets include; intellectual property, brand reputation, patents and trademarks. Constructions, land, capital and equipment are tangible resources.

Resource based theory pointed out that organizations do not operate independently as they depend on other actors in the business environment (Pfeffer and Salancik, 1978). This trust gives the external factors an edge in controlling how the organization conducts its operations. In resource dependency theory, stakeholders who own the resources needed by the firm are considered valuable. However, capacity does not only reflect stakeholder importance. Organizational theories see legitimate stakeholders as the ones who really matter. The external environment needs to be clearly assessed in line with stakeholder expectations and incorporated into corporate goals. In dealing with its stakeholders, a company must recognize that not all stakeholder needs are met. Some decisions create conflicts of interest and others may align the interests of a particular stakeholder group (Susniene & Vanagas, 2013; Ezeala, Opara & Omaliko, 2024). The RBV theory is relevant in this research because it promotes the evaluation of the study's goals. Also noteworthy is the role played by stakeholders in managing human resources as an organization's resource or asset towards achieving its objectives. Hence, the relationship which exists between the host community engagement, shareholders participation and corporate performance is determined by resource management according to available literature.

Therefore, this study was anchored on resource based view theory. The justification for using this theory to underpin the study stem from the fact that literature review has demonstrated the existence of relationship between the shareholders participation, host community engagement and corporate sustainable growth.

2.3 Empirical Review

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. The study concluded that stakeholder involvement helps to reduce risk within the firm, improves governance, and brings people together to pool expertise, experience, and knowledge.

Shingade, Rastogi, Bhimavarapu, and Chirputkar (2022) examined the impact of shareholder activism on firm performance. This study is conducted in a unique setup where traditional activist investors such as pension funds and hedge funds are not present. However, the activism cases are increasing yearly in an emerging economy like India. They created a comprehensive shareholder activism index (sha index) using multiple activisms and corporate governance factors. To measure firm performance, they used valuation (Tobin's Q and Market capitalization), profitability (operating profit margin and net profit margin) and return ratios (Return on capital and return on equity). Panel data analysis (PDA) is employed for the study as it overcomes the shortcomings of the time series analysis and cross-sectional studies. The sample comprises 37 listed firms' data for FY2017 to FY2020. Chosen firms have experienced activism instances at least once during the 2017–2020 period. As per their analysis, shareholder activism has a significant negative impact on valuation measured in market capitalization and profitability estimated by operating profit margin. Activism primarily impacts the other four parameters negatively, but it is insignificant.

Jean and Austin (2022) assessed the relationships between stakeholder engagement practices and the four performance parameters namely; project quality, cost efficiency, timeliness and profitability. The research methods that adopted in this study were quantitative and qualitative with descriptive research design. Both primary and secondary data were gathered. Questionnaire and interviews were used as instruments for data collection. Data was analyzed through Statistical Package for Social Sciences (SPSS) software. Simple descriptive statistics such as mean and standard deviation were determined to analyze the findings. The regression analysis was used to describe correlation between the independent and dependent variables. The research instrument reliability test showed a Cronbach Alpha of 0.862. The findings of the study confirmed that there is a moderate negative correlation between Stakeholder engagement practices in project identification and project performance (project quality). The findings also showed that there is a strong positive correlation between Stakeholder engagement practices in project planning and project performance (project profitability). The findings indicated that there is a strong positive correlation between Stakeholder engagement practices in project implementation and project performance (project completion time). The study recommends that stakeholders should be effectively engaged at all project stages to enhance project performance.

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. In addition, more effective practices will support achieving performance efficiency.

Obey (2020) investigated the relationship between stakeholder engagement and financial performance. The study area of this study was all FTSE/JSE listed firms. The longitudinal design was adopted where the researcher collected panel data from 2011-2018. The sample of this study was 32 firms listed on the FTSE/JSE Responsible Investment Index. This resulted in 256 observations for the period under consideration. This study utilized secondary data obtained from the annual financial statements of firms listed on the JSE. Stakeholder engagement was the independent variable while the financial performance as measured by the Tobin's Q was the dependent variable. Quantitative content analysis was used to collect data related to stakeholder engagement. Data was analysed using Panel regression analysis model. The Fixed and Random effects models were used to analyse data. The Hausman test was used to evaluate the appropriate model. The findings showed a positive but insignificant relationship between stakeholder engagement and financial performance as measured by Tobin's Q. This suggested that stakeholder engagement does not predict market valuation of the firm. It was deduced that probably the concerned firms are sending weak signals to key stakeholders regarding their genuine commitment towards environmental sustainability initiatives. Recommendations were made for firms to send strong signals to investors which clearly show that they are genuinely committed towards environmental sustainability initiatives.

Ogachi and Paul (2020) examined the influence of stakeholder engagement on performance of commercial banks in Kenya. The study embraced a Descriptive Research Design. The study collected primary data through administration of questionnaires. The study questionnaires were self-administered to the selected bank officials. The study had a Target population of 126 Managers from the three levels of management of the 42 licensed commercial banks in Kenya. A simple random sampling method was used to select the managers for the study who were 75 in number. The study analyzed the data into a descriptive statistic and regression model by help of SPSS software version 23 where measures of central tendencies such as mean and standard deviation was calculated. The variations in the financial performance of banks were due to stakeholders' engagement. The study findings were presented in form of frequency tables and bar graphs. From the findings of the study, it was revealed that the stakeholders' engagement influence the operations and functioning of commercial banks in Kenya. The study recommends that commercial banks to strengthen the relationship with its stakeholders for continued engagement.

3. MATERIAL AND METHODS

E*x post facto* research 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, 2022, covering the period 2013-2022. 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 shareholders participation, host community engagement and sustainable growth of firms in Nigeria.

In-line with the previous researches, the study designed a model to examine the effect of shareholders participation and host community engagement on sustainable growth of firms in Nigeria. The functional model for the study is therefore shown below as thus:

SG= F(SP, HCE)………………………..Eqn 1.

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

$SG_{it} = \beta_{0} + \beta_1 SP_{it} + \beta_3 HCE_{it}\ \mu$ …………………..Eqn 2.

Where:

SG = Sustainable Growth

SP = Shareholders Participation

HCE = Host Community Engagement

μ = Stochastic Term

$\beta_1 – \beta_2$ = Coefficient of Regression Equation

β_0 = Constant coefficient (intercept) of the model

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

4. RESULT AND DISCUSSIONS

4.1 Data Analysis

4.1.1 Descriptive Statistics

Table 1: Descriptive Statistics

	SG	SP	HCE
Mean	4.520000	6.520000	0.340000
Median	4.500000	4.500000	1.000000
Maximum	4.700000	7.700000	1.000000
Minimum	4.400000	5.400000	0.000000
Std. Dev.	0.109545	0.130384	0.296648
Skewness	0.867528	0.363173	-0.562764
Kurtosis	2.729167	1.628028	1.897340
Jarque-Bera	0.642452	0.502060	0.517224
Probability	0.725259	0.777999	0.772123
Sum	22.60000	22.60000	21.70000
Sum Sq. Dev.	0.048000	0.068000	0.352000
Observations	**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 2013 to 2022 was 4.52. This implies that firms' sustainable growth is determined by shareholders participation and host community engagement. Also, the distribution for sustainable growth is platykurtic since the kurtosis (2.73) is less than 3, implying that the

outliers are few. The Jarque-Bera probability of 0.725 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 6.52. This implies that firms with SP value of 6.52 and above engage shareholders in their business decisions and operations and also have sustainable growth. The maximum value for the study was 7.70 while the minimum value was 5.40. 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 0.13 %. The distribution is platykurtic since the kurtosis (1.63) is less than 3, implying that the outliers are few. The Jarque-Bera probability of 0.778 is greater than 0.05, which means that the distribution of shareholders participation does not deviate from a normal distribution.

The mean value of host community engagement (HCE) was 0.340. This means that firms with HCE value of 0.340 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 0.29%. The distribution is platykurtic since the kurtosis (1.89) is less than 3, implying that the outliers are few. The Jarque-Bera probability of 0.772 is greater than 0.05, which means that the distribution of host community engagement is not different from a normal distribution.

Table 2: Correlation Matrix

Variables	**SG**	**SP**	**HCE**
SG	1.0000		
SP	0.057	1.0000	
HCE	0.042	-0.0204	1.0000

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

Table 2 above shows the relationship between all pairs of independent variables and dependent variable used in the regression model. It reveals that all the independent variables have positive correlation with the dependent variable (SG) while host community engagement and shareholders participation has negative relationship with each other. The values on the diagonal are all 1.0000 which shows that each variable is perfectly correlated with itself. In checking for multi-collinearity, we noticed that no two explanatory variables were perfectly correlated. This means that there is an absence of multi-collinearity in our model.

4.2: Test of Hypotheses

Table 3: Shareholders Participation, Host Community Engagement and Sustainable Growth of Consumer Goods Firms in Nigeria.

Dependent Variable: SG

Method: Panel Least Squares

Date: 09/28/24 Time: 10:24

Sample: 2013 -2022

Periods included: 10

Cross-sections included: 16

Total panel (balanced) observations: 60

Variable	Coefficient	Std. Error	t-Statistic	Prob.
SP	0.100548	0.012061	8.336622	0.0000
HCE	2.142475	0.175051	12.23915	0.0000
C	0.900484	0.200482	4.491595	0.0005

R-squared	0.675364	Mean dependent var	7.155500
Adjusted R-squared	0.639084	S.D. dependent var	0.939349
S.E. of regression	0.907623	Akaike info criterion	12.09837
Sum squared resid	107.2101	Schwarz criterion	10.76356
Log likelihood	-149.4095	Hannan-Quinn criter.	8.987343
F-statistic	11.09837	Durbin-Watson stat	2.009383
Prob(F-statistic)	0.000000		

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

In table 3, R-squared and its adjusted R-squared values were (0.67) and (0.64) respectively. This is an indication that all the independent variables jointly explain about 67% of the systematic variations in sustainable growth (SG) of our sampled firms over the ten-year period (2013-2022) while 33% of the systematic variations are captured by the error term. The F-statistics 11.09837 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, 2.009383 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 12.09837 and 10.76356 respectively further strengthen the fitness of our regression result for reliability as it confirm the goodness of fit of the model specified.

4.2 Test of Hypotheses

In addition to the above, the specific findings from each explanatory variable from panel least squares regression model as shown on table 3 is provided below as follows:

4.2.1 Hypothesis One

H_{01}: Shareholders participation 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 shareholders participation (SP) and sustainable growth (SG) is positive and significant with a P-value (significance) of 0.0000 for the model which is less than the 1% level of significance adopted. Likewise the result of positive coefficient of 0.1005 for the model indicates that, shareholders participation has ensured firms' sustainable growth. Thus implies that shareholders should be engaged and involved as their involvement in decision making process and business operations determine firm sustainable growth in Nigeria. The study 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.

4.2.2 Hypothesis Two

H_{02}: Host community 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 host community engagement (HCE) and sustainable growth (SG) is positive and significant with a P-value (significance) of 0.0000 for the model which is less than the 1% level of significance adopted. Likewise the result of positive coefficient of 2.142% for the model indicates that the engagement of host communities in business by business organizations ensures business sustainable growth by 2.142%. 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. The study 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.

CONCLUSION AND RECOMMENDATIONS

From the statistical analysis of the study, it was found that host community engagement (HCE) has the highest level of influence on firms sustainable growth (SG) by the model used in the study followed by shareholders participation (SP) Therefore, the study concludes that shareholders participation and host community engagement ensure sustainable growth of consumer goods firms in Nigeria.

In line with the findings of the study, it was recommended that:

1. The study having found a positive and significant association between shareholders' participation and firm sustainable growth recommends that managers of listed firms in Nigeria should look for more effective ways to engage shareholders on environmental initiatives as this will send strong signals to other investors which clearly show that the firm is genuinely committed towards environmental sustainability initiatives which ensures firms' sustainable growth.

2. The study having found a positive association between host community engagement and firm sustainable growth recommends that host community 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. Hence, the need for continual engagement of the host communities

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