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Sustainable business practice and going concern of selected listed manufacturing companies in Nigeria

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Abstract

Sustainability has become a crucial aspect of modern business, extending beyond corporate social responsibility to form an integral part of organizational strategies. This study investigated how sustainable business practices impact the going concern of listed manufacturing companies in Nigeria, focusing on stakeholder inclusiveness, dynamic workplace, and community engagement. The research used an ex-post facto research design, analyzing data from 60 consumer and industrial goods manufacturing companies listed on the Nigerian exchange group as of December 31, 2021. The findings indicated that stakeholder inclusiveness, a dynamic workplace, and community engagement positively and significantly influence the net asset per share of these listed manufacturing companies. In other words, incorporating sustainable business practices can enhance the companies' long-term financial stability and operational continuity. In conclusion, this study emphasizes the potential of sustainable business practices to shape the going concern status of listed manufacturing companies in Nigeria when effectively implemented. It suggests that manufacturing companies should develop and implement a well-balanced sustainability strategy that integrates community engagement, shareholder inclusiveness, and the creation of dynamic workplaces with their core business objectives.

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Community engagement
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Stakeholder inclusiveness
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1. Introduction

Sustainability has emerged as a defining paradigm for businesses in the 21st century. In an era characterized by heightened environmental consciousness, evolving consumer preferences, and the urgent need for responsible resource management, sustainable business practices have transcended the realm of corporate social responsibility to become an indispensable component of organizational strategy (Dentchev et al., 2016). For companies, sustainability is no longer a mere buzzword; it is the cornerstone of resilience, growth, and long-term viability. This work delves into the intricate relationship between sustainable business practices and the going concern of selected listed manufacturing companies in Nigeria (Igbekoyi, 2020).

The going concern concept, a fundamental pillar of financial reporting, asserts that an entity will continue its operations in the foreseeable future without the intention or necessity of liquidation or substantial curtailment of its activities. As such, it is a vital indicator of a company's ability to navigate economic uncertainties, sustain its operations, and create enduring value. Nigeria, as Africa's most populous nation and a burgeoning economic force, stands at a pivotal juncture in its industrial evolution (Setiawan & Dewianawati, 2021). The manufacturing sector, a linchpin of economic diversification and job creation, faces multifaceted challenges and opportunities, many of which are intrinsically linked to sustainable business practices. These practices encompass a wide spectrum of considerations, from environmental stewardship and ethical governance to social responsibility and economic resilience (Muhmad & Muhamad, 2021).

In the existing body of literature focused on social business practices, both scholars and practitioners have explored the potential of for-profit organizations' business models as a means to address the broader challenges associated with corporate sustainability (Manni & Faccia, 2020). Earlier research conducted by Dentchev et al. (2016); Geissdoerfer, Bocken, and Hultink (2016); Lüdeke-Freund and Dembek (2017) and Schaltegger, Etxeberria, and Ortas (2017) has demonstrated that companies that implement Social Business Practices (SBPs) not only enhance their financial viability but also make significant contributions to social and environmental causes (Lüdeke-Freund, Carroux, Joyce, Massa, & Breuer, 2018). It is worth noting that manufacturing companies, particularly those in the oil and gas sector, are often identified as entities with substantial carbon footprints. In the context of Nigeria, the focus has primarily been on philanthropic gestures rather than the establishment of a comprehensive legal framework to address environmental and social responsibilities (Igbekoyi, Solanke, Adeusi, Alade, & Agbaje, 2022).

This study undertook a comprehensive examination of how sustainable business practices influence the going concern status of selected manufacturing companies listed on Nigerian stock exchanges. By delving into the nuances of sustainability in a dynamic Nigerian business landscape, we aim to shed light on the intricate interplay between corporate sustainability initiatives and the ability of these companies to maintain their operations as going concerns. This investigation holds the promise of not only advancing our understanding of sustainable business in a developing economy context but also providing critical insights for businesses, policymakers, investors, and other stakeholders seeking to foster economic sustainability in Nigeria and beyond.

In the pages that follow, we embark on a journey to explore the landscape of sustainability practices within Nigerian manufacturing companies, examine their impact on the companies' financial health and resilience, and offer recommendations for businesses and policymakers alike. Through rigorous analysis and empirical evidence, we endeavor to contribute meaningfully to the ongoing discourse on sustainable business practices and their role in ensuring the continued success and longevity of manufacturing enterprises in Nigeria.

2. Literature Review

2.1. Conceptual Review

2.1.1. Sustainable Business Practice

Sustainable Business Practice, often referred to as Sustainable Business or Sustainability in Business, is an approach to conducting business that aims to meet the needs of the present without compromising the ability of future generations to meet their own needs (Prayoga & Siswantoro, 2021). It involves integrating economic, environmental, and social considerations into business operations, decision-making processes, and strategies. Businesses strive to minimize their negative impact on the environment. This includes reducing resource consumption, minimizing waste generation, using renewable energy sources, and adopting eco-friendly production methods (Ritala, Huotari, Bocken, Albareda, & Puumalainen, 2018).

Sustainable businesses prioritize the well-being of their employees, communities, and society at large. They may engage in fair labor practices, support local communities, and contribute to social causes. Sustainability is not just about environmental and social concerns; it also involves maintaining economic profitability and competitiveness (Ilyas & Osiyevskyy, 2022). Sustainable businesses often find innovative ways to reduce costs, enhance efficiency, and identify new market opportunities. Sustainable business practices are forward-looking and consider the long-term consequences of decisions and actions. This includes thinking about the resilience of the business in the face of future challenges and changes in market conditions (Igbekoyi et al., 2022).

Sustainable businesses are transparent about their practices and accountable for their impacts. They often report on their environmental and social performance and engage with stakeholders to address concerns. Sustainability often drives innovation, as businesses seek new ways to reduce waste, conserve resources, and create products and services that are environmentally and socially responsible (Linna, 2021). Sustainable business practices have gained prominence as environmental and social issues have become more pressing, and consumers, investors, and regulators have placed greater emphasis on corporate responsibility. Businesses that adopt sustainable practices not only contribute to a more sustainable planet but also tend to build stronger reputations, attract conscious consumers, and ensure long-term resilience in a changing world (Ritala et al., 2018).

2.1.2. Concept of Going Concern

The Going Concern Concept constitutes a foundational accounting principle shaping the formulation of financial statements. It posits that a business entity will persist in its operational activities without any intent or compulsion for liquidation or substantial interruption in the foreseeable future. When preparing financial statements, there is an assumption that the business will continue its operations for at least the next 12 months (Setiawan & Dewianawati, 2021). This assumption serves as the basis for asset valuation, liability recording, and financial results presentation. It presupposes that the management has no intention of discontinuing operations, winding up the business, or liquidating significant assets; instead, the company is expected to employ its assets in the ordinary course of business.

The going concern assumption mandates consistency in applying accounting policies across reporting periods, facilitating meaningful comparisons of financial information over time. Any substantial uncertainties or events casting doubt on the entity's ability to continue as a going concern must be disclosed in the financial statements, usually in footnotes or additional narrative explanations (Laskar, 2019). This assumption profoundly influences the valuation of assets and liabilities. For instance, assets are typically recorded at historical cost rather than liquidation value, assuming their continued use in the business. Liabilities are recognized in full, even if they are not due in the near term. The going concern concept is critical for financial statement users, providing assurance that the statements are prepared with the expectation that the business will persist and fulfill its obligations. Doubts about a company's ability to continue as a going concern can significantly impact financial statement disclosures, potentially leading to modifications or explanatory paragraphs in the auditor's report (Jung, Nam, Yang, & Kim, 2018).

This study proposes a method for assessing going concern by calculating the net asset per share. This involves deducting total liabilities from the total value of assets and dividing the result by the total number of ordinary shares outstanding at the measurement date. This approach builds upon Enyi (2018) suggestion that traditional indicators like return on capital employed (ROCE) and others primarily reflect past profitability, lacking predictive capabilities. Enyi emphasizes that a firm's total assets and liabilities encompass aspects of its past, present, and future capabilities and vulnerabilities, making them a more reliable basis for measurement.

2.1.3. Stakeholder Inclusiveness and Going Concern

Stakeholder inclusiveness can be defined as an approach aimed at establishing enduring relationships with stakeholders by addressing their legitimate expectations and interests (NGX Group, 2020). When it comes to fostering long-lasting relationships, Lingenfelder and Thomas (2011) proposed that prioritizing short-term profit gains over the creation of long-term stakeholder value, particularly by focusing primarily on shareholders instead of a broader spectrum of stakeholders, as noted by Harrison, Freeman, and Abreu (2015), can undermine corporate inclusivity. Since each stakeholder possesses distinct interests and expectations, the Nigerian Exchange (NGX) Group's description emphasizes the importance of finding common "reasonable expectations and interests" that are agreeable to all parties. While stakeholder inclusiveness, as described by Lingenfelder and Thomas (2011), advocates for fairness among all stakeholder groups, Freeman, Dmytriyev, and Phillips (2021) and Dentchev et al. (2016) clarify that there may be occasions when one group benefits at the expense of others. However, they advise that management must carefully maintain a balanced relationship among stakeholders to prevent jeopardizing the firm's survival.

2.1.4. Dynamic Workplace and Going Concern

The work environment has evolved into a valuable non-monetary incentive. Contemporary employees seek workplaces that enable them to harmonize their work and family life rather than having to make a choice between the two (Arasli, Hejraty Namin, & Abubakar, 2018). Organizations have recognized that among the various desires of employees, the request for a favorable work environment is entirely reasonable. In the age of the IT Revolution, many IT companies now provide employees with air-conditioned facilities and modern furnishings. Additionally, they offer amenities like well-maintained restrooms, housing options, quality dining facilities, and clean washrooms, all of which can significantly boost employee morale and enhance performance (Yavuz, 2004).

Okwudili and Ogbu (2020) describe a dynamic workplace as a non-financial initiative implemented by organizations to promote excellent job performance. This includes offering flexible work hours, and training opportunities, creating a pleasant work environment, and providing sabbaticals. Manni and Faccia (2020) elaborates on the various dimensions of a dynamic workplace that make work enjoyable for employees, such as flexible working hours, professional development opportunities, constructive feedback, attentive employers, autonomy, job redesign, and more. Furthermore, introducing periodic task rotation to prevent employees from performing the same tasks repeatedly for extended periods and job enlargement, which involves diversifying the tasks an individual performs, results in more diverse and engaging jobs (Manni & Faccia, 2020). Okwudili and Ogbu (2020) expand on the concept of job enrichment, which entails vertically expanding job roles and increasing the worker's control over planning, executing, and evaluating work, thereby promoting collaboration among employees. For instance, telecommuting allows employees to work from home using a computer connected to their office network. Many of these job redesign approaches are commonplace in today's IT companies, enhancing the overall work experience for employees.

2.1.5. Community Engagement and Going Concern

Community engagement, sometimes referred to as social identity for an organization, involves actively involving local communities in various aspects of corporate social bonding, including business activities, sports, and other development programs (Ritala et al., 2018). Worldwide, companies adopt local suppliers and vendors as an effective CSR (Corporate Social Responsibility) strategy. In the Nigerian context, some organizations provide training and registration opportunities for locals within their vendor management systems, thereby giving back to the community. Others create an enabling environment for local individuals to become product distributors, a practice commonly observed among companies like Dangote Cement, Unilever Plc, UAC Foods, Nestle Plc, and the Nigerian Bottling Company Plc. Access Bank Plc, for instance, commits to sponsoring sporting events such as the annual Lagos City Marathon (Prayoga & Siswantoro, 2021).

Prominent global organizations like Nike Inc., Royal Bank of Scotland, HSBC, Rolex, BMW, Coca-Cola, and Pepsi Co. have all ventured into supporting sporting activities as part of their corporate social initiatives. Today, this has evolved into a significant and sustainable investment practice for these companies, delivering economic and social benefits over the years. Forbes Business reported that even during challenging times, Nike continued its tradition of investing in local athletes and sports activities (Geissdoerfer et al., 2016). This commitment, now emulated by its competitors, played a pivotal role in sustaining Nike, making it the world's most profitable and largest sporting equipment manufacturer, according to Forbes Business. Additionally, it was noted that many of Nike's innovative products and equipment were either designed by or inspired by athletes under their sponsorship. This illustrates how an organization can transform philanthropic gestures into a potent and sustainable business model.

2.1.6. Sustainable Business practice and Going Concern

Sustainable business practices and the concept of going concern are two critical aspects of corporate governance and financial management in organizations. Sustainable business practices refer to the strategies and initiatives that organizations adopt to ensure their long-term viability, profitability, and positive impact on society and the environment. These practices involve integrating environmental, social, and governance (ESG) factors into business operations and decision-making processes (Igbekoyi, 2020). This involves minimizing an organization's environmental footprint by reducing energy consumption, waste generation, and greenhouse gas emissions. Companies often set targets for sustainability in areas like carbon neutrality, resource conservation, and renewable energy adoption.

Sustainable businesses prioritize social equity and responsibility by promoting fair labor practices, diversity and inclusion, and community engagement. They may invest in local communities, support education and healthcare initiatives, and ensure the well-being of their employees. Strong corporate governance practices are essential for sustainability. This includes transparent reporting, ethical behavior, and accountability at all levels of the organization (Kolawole, Igbekoyi, Ogungbade, & Dagunduro, 2023). Companies often establish codes of conduct and adhere to legal and regulatory requirements. Sustainable businesses focus on creating long-term value for all stakeholders, not just short-term profits. They consider the interests of shareholders, employees, customers, suppliers, and the broader community. Sustainable business practices are not only ethically responsible but also contribute to financial resilience and competitive advantage. Investors, customers, and regulators increasingly value companies that demonstrate commitment to sustainability.

2.2. Theoretical Review

This study integrated elements from three theories: sustainability theory, stakeholder theory, and Herzberg's hygiene-motivation theory.

2.2.1. The Sustainability Theory

The concept of 'sustainability,' as articulated by Barbier (2005), is widely discussed and embraced by both scholars and practitioners. This idea, which had been in circulation for over a decade before 1987, revolves around the notion that it is essential for both corporate and non-corporate entities to conduct their operations in a manner that ensures the Earth's environment can support future generations and endeavors. Recent studies by Igbekoyi (2020); Lingenfelder and Thomas (2011) and the NGX Group (2020) have all applied the principles of sustainability theory. This theory emphasizes the need for organizations, whether corporate or non-corporate, to adopt practices that promote the long-term sustainability of the Earth's environment for the benefit of all.

2.2.2. The Stakeholder Theory

The stakeholder theory, initially developed by Freeman (1984), is based on the belief that businesses should operate in a manner that reasonably and fairly promotes the interests and expectations of all groups within the organization (Freeman et al., 2021). Stakeholders are typically defined as individuals, groups, and organizations that have a vested interest in the firm's processes and outcomes, and upon whom the firm relies to achieve its objectives (Kolawole et al., 2023). Some stakeholders, such as employees, managers, shareholders, financiers, customers, and suppliers, are easily identifiable due to their direct involvement in the firm's value-creation processes. These stakeholders are often referred to as primary or legitimate stakeholders, while communities and government entities may be considered secondary stakeholders (Dagunduro, Igbekoyi, Ogungbade, Aluko, & Osaloni, 2022).

According to stakeholder theory, 'managing for stakeholders' entails addressing the interests and well-being of these stakeholders, at the very least (Adewara, Dagunduro, Falana, & Busayo, 2023). This theory aligns closely with the principles of Sustainable Business Practice (SBP) as both share a common goal (Freeman, Phillips, & Sisodia, 2020). Moreover, the ethical and moral foundation of stakeholder theory provides a broad spectrum of possibilities for SBP. Previous literature has demonstrated the practical application of stakeholder theory in supporting its fundamental premise that companies should contribute positively to society (Adewara et al., 2023; Dagunduro et al., 2022). One of the core tenets of this theory is the emphasis on stakeholder inclusiveness, ensuring that shareholders, management, employees, customers, suppliers, and local communities all feel valued and included.

2.2.3. The Hygiene-Motivation Theory

During the 1950s and 1960s, Frederick Herzberg introduced the hygiene-motivation theory, designed to identify elements within the workplace that either induced satisfaction or dissatisfaction among employees. Herzberg proposed two distinct dimensions influencing employee behavior: hygiene factors and motivators. Hygiene factors pertain to the presence or absence of elements that can lead to job dissatisfaction. When hygiene factors are insufficient, the work environment becomes dissatisfying (Theses & Hyun, 2009). These factors are considered essential for averting dissatisfaction but do not independently contribute significantly to job satisfaction and motivation. Essentially, they merely sustain employees in their current roles. For example, inadequate working conditions or a noisy workplace can result in job dissatisfaction, but enhancing these factors alone may not necessarily lead to increased motivation and satisfaction. Examples of hygiene factors include salary, job status, job security, supervision, and company policies.

Conversely, motivators, which drive job satisfaction, are linked to the intrinsic nature of the work itself. These job-related aspects include challenging tasks, a sense of achievement, the work itself, recognition, responsibility, opportunities for advancement, and the potential for personal and professional growth within the job. Various studies, such as those by Yavuz (2004) and Manni and Faccia (2020), have applied the hygiene-motivation theory to examine the relationship between non-monetary incentives and job performance. The relevance of these theories to the current study can be deduced from their underlying assumptions, emphasizing employees, society, and the environment as central pillars.

2.2.4. Theoretical Linkage

It is essential to emphasize that this study seeks to establish a connection between how organizations manage their environmental and social responsibilities while fulfilling their obligations to shareholders and employees. The significance of these theories in this study arises from an organization's dual responsibility to its workforce and the environment. Although existing literature suggests that sustainable business practices have not gained widespread acceptance in Nigeria, there is substantial evidence supporting their positive impact on a company's ability to continue its operations.

The sustainability theory forms the basis for the examination of community engagement in this study, while the stakeholder theory encompasses the aspect of stakeholder inclusiveness. Herzberg's hygiene-motivation theory is applied to analyze the dynamic workplace element of the study. The study aims to assess the going concern of companies using the net asset per share, which is calculated as the total value of assets minus total liabilities divided by the total number of ordinary shares in circulation at the measurement date. The theoretical underpinnings of this study find support in the research conducted by Enyi (2018), which demonstrated a significant relationship between the newly introduced going concern ratio and a company's earnings capacity and financial stability.

2.3. Empirical Review

Sustainability has gained significant prominence within the realms of accounting, economics, and business management, attracting considerable interest from scholars and practitioners. The global recognition of the social and environmental consequences of business operations on both humanity and the planet has propelled this interest. Despite this increasing attention, there exists a variety of perspectives and research findings on the topic. For example, Jung et al. (2018) delved into the impact of corporate sustainability performance on financial viability in Korea, utilizing Ohlson's residual income model and incorporating ICT service companies as moderating variables. The study revealed a positive correlation between a firm's corporate sustainability performance and its financial performance, with a more pronounced effect observed in the information and communications technology (ICT) industry compared to non-ICT companies.

Another investigation in Indonesia by Endiramurti, Rosadi, and Probohudono (2019) explored the relationship between going concern status and sustainability report disclosure among 54 companies spanning the years 2014 to 2016. They employed panel data regression analysis using the statistical tool E-views version 9.0. The results supported three out of four research hypotheses, indicating a significant impact of sustainability report disclosure on the going concern characteristics of the studied companies. Similarly, Xu, Xu, Xie, and Jin (2021) delved into the influence of sustainable initiatives, particularly green innovation, on the performance of environmentally designated Business Group (BG) companies in China. They utilized data from 202 listed manufacturing enterprises spanning the years 2013 to 2017. The research demonstrated that green innovation significantly enhances the financial performance of companies, with BG-affiliated companies experiencing a more prominent positive effect than non-BG companies. The study also identified that the concentration and trust within BG-affiliated companies' supply chains positively moderate the relationship between green innovation and financial performance.

In a Nigerian study conducted by Enyi (2018), the efficacy of sustainability performance on going concern was examined, introducing more robust measurement techniques. The research analyzed data from 91 companies listed on the Nigerian Stock Exchange and the National Stock Exchange of India using multivariate regression analysis, one-way ANOVA, and Pearson correlation coefficient. The study identified a significant influence of sustainability reporting on the newly introduced going concern ratio.

However, there are studies with varying perspectives. Manni and Faccia (2020), conducted in Switzerland, took a qualitative approach and argued that adding environmental considerations to economic and financial sustainability can weaken a business enterprise's continued development. They suggested that the burden of environmental frameworks may exacerbate the shortcomings of larger companies, leading to a crisis due to the distribution of risks stemming from various expectations.

Another study by Laskar (2019) investigated whether sustainability reporting enhances companies' profitability. Using a sample of 28 listed non-financial companies from India and 26 listed non-financial companies from South Korea over a six-year period (2010–2015), the study found that, for South Korean companies, sustainability performance had a positive and significant impact. However, in the Indian context, sustainability performance was negatively associated with profitability.

The existing literature predominantly focuses on the positive association between corporate sustainability performance and financial performance. However, there is a dearth of studies that delve deeper into the potential mechanisms or drivers behind this association. This study sought to fill this glaring gap by undertaking a comprehensive examination of how sustainable business practices influence the going concern status of selected manufacturing companies listed on Nigerian stock exchanges. By delving into the nuances of sustainability in a dynamic Nigerian business landscape, we aim to shed light on the intricate interplay between corporate sustainability initiatives and the ability of these companies to maintain their operations as going concerns.

The hypotheses are stated as follows:

H_{01}: Shareholder inclusiveness does not have a significant effect on the going concern of selected listed manufacturing companies in Nigeria.

H_{02}: Dynamic workplace has no significant effect on the going concern of selected listed manufacturing companies in Nigeria.

H_{03}: Community engagement does not have a significant effect on the going concern of selected listed manufacturing companies in Nigeria.

2.4. Conceptual Framework

Figure 1 illustrates the connection between the independent variables and the dependent variable. The depicted proxies for the independent variables are stakeholder inclusivity, a dynamic work environment, and community engagement. Meanwhile, the dependent variable is represented by net assets per share (NPS), which signifies the net assets per share of the companies examined in this research.

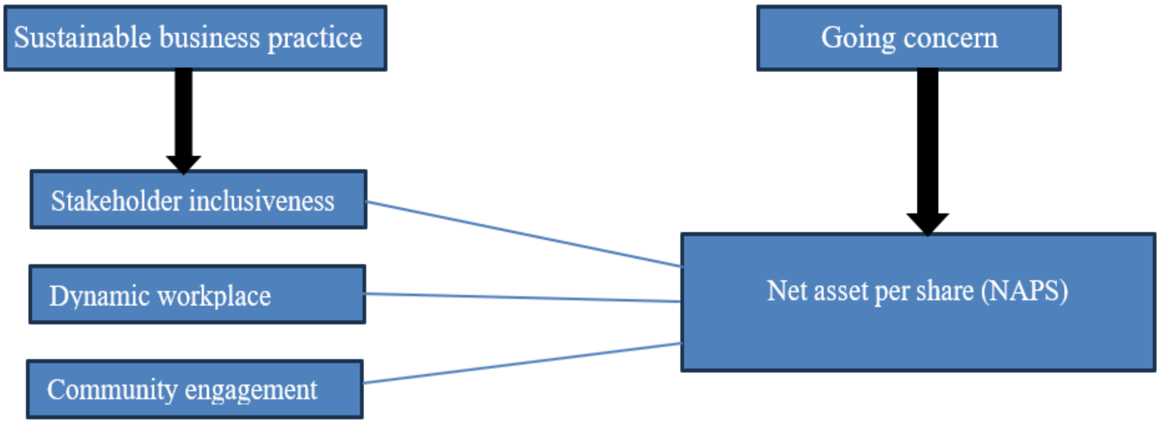

Figure 1. Conceptual framework of variables.

Source: Researcher's conceptual framework (2022).

3. Data and Methods

The research employed an ex post facto research design. The study's target population consisted of 60 manufacturing companies in the consumer and industrial goods sectors, all of which were listed on the Nigerian Exchange Group as of December 31, 2021. This data was sourced from the Nigerian Exchange Group's website.

To create the sample, purposive sampling techniques were applied, resulting in a selection of 20 companies, with 10 belonging to the consumer goods sector and 10 from the industrial goods sector. These sectors were chosen based on the size of their balance sheets (market value) and their international presence. The study encompassed a ten-year timeframe, spanning from 2012 to 2021. This period was chosen because it marks the initiation of Nigeria's corporate sustainability initiatives approximately a decade ago. The data collected was subsequently subjected to analysis using descriptive statistics and panel data regression analysis.

3.1. Model Specification

The model's specifications were influenced by a study carried out by Enyi (2018) that focused on examining the concepts of going concern, earning capacity, and corporate financial stability in chosen banking and manufacturing companies in India and Nigeria.

However, in contrast to Enyi's study, certain variables, including net asset per share, shareholder inclusiveness, dynamic workplace, and community engagement, were excluded from our model. The mathematical representation of the model is provided below:

$$GC = f(SBPI) \quad (1)$$

$$NAPS = f(SBPI) \quad (2)$$

$$NAPSit = \beta 0 + \beta 1SIit + \beta 2DWit + \beta 3CEit + eit \quad (3)$$

Where:

GC = Going concern= Dependent variable.
SBP Sustainable business practice = Independent variable.
SBPI = Sustainable business practice index.
NAPS = Audited net assets divided by ordinary shares in issue i.e., net asset per share).
β0 = Intercept.
SI = Shareholder inclusiveness.
DW = Dynamic workplace.
CE = Community engagement.
β1- β3 = coefficients of the independent variables.
e = Stochastic error term.
A priori expectation in Equation 3 above based on the literature review is stated thus:
β1 > 0
β2 > 0
β3 > 0
Table 1 presents the summary of variables, measurement, and sources.

Table 1. Summary of variables, measurement, and sources.

Variables	Description	Measurement	Source
Net asset per share (NAPS)	NAPS is the difference in the firm's audited assets and liabilities divided by the fully paid ordinary share issued at the reporting date.	The ratio of net assets to issued ordinary shares. The researcher computes where it is not found on the pages of the company's annual report.	Computed from data obtained from the company's annual report.
Stakeholders' inclusiveness (SI)	This is the inclusion of the GRI/Sustainability index and sustainability report in the annual report	Annual spending on stakeholders' inclusivity and compliance with sustainability index (SI) / Global reporting initiative (GRI). Aggregate GRI & and sustainability reporting index disclosures on stakeholder and other key people. If the item is included in reporting index or other reports in the annual report it is captured as 1, if not 0.	GRI and sustainability reporting index, assessment of the annual report, vision and mission statement, Chairman's letter, Director's report, Operation review and other reports of the company.
Dynamic workplace (DW)	This is the inclusion of the GRI/Sustainability index and sustainability report in the annual report	Annual spending to deliver er conducive environment for all employees and compliance with SI / GRI. Aggregate GRI & sustainability reporting index disclosures on Environment, People & Compliance with global reporting initiatives. If the item is included in the reporting index or other reports in the annual report, it is captured as 1, if not 0.	GRI and sustainability reporting index, assessment of the annual report, vision and mission statement, Chairman's letter, Director's report, Operation review, and other reports of the company.
Community engagement (CE)	This is the inclusion of the GRI/Sustainability index and sustainability report in the annual report	Annual CSR spend on engagement with the host community. If the item is included in the reporting index or other reports in the annual report, it is captured as 1, if not 0.	GRI and sustainability reporting index, assessment of the annual report, vision and mission statement, Chairman's letter, Director's report, Operation review, and other reports of the company.

Source: Researcher's compilation (2022).

4. Results and Discussion

Table 2 presents the descriptive statistics that were utilized to assess the characteristics of the variables employed in the regression analysis. The results revealed that the mean value of net asset per share (NAPS) for manufacturing companies in Nigeria was 21.31, indicating a relatively high average. The standard deviation of 19.72 indicated substantial variability, given its significant deviation from the mean. The minimum and maximum values for NAPS were -10.03 and 84.26, respectively. The data exhibited positive skewness with a value of 0.66 and demonstrated a normal distribution with a kurtosis value of 2.61. In contrast, the mean values for community engagement (CE), dynamic workplace (DW), and shareholder inclusiveness (SI) were 828.31, 553.54, and 1496.12, respectively.

Table 2. Descriptive statistics.

Variables	NAPS	CE	DW	SI
Obs.	200	200	200	200
Mean	21.308	828.311	553.540	1496.121
Std. deviation	19.723	1596.313	1065.626	1880.459
Minimum	-10.030	0.000	0.000	0.000
Maximum	84.260	18099.220	12099.480	19798.450
Skewness	0.660	8.135	8.154	5.082
Kurtosis	2.610	81.518	81.844	46.820

Source: Researcher's compilation (2022).

Their standard deviations of 1596.31, 1065.63, and 1880.46 for CE, DW, and SI, respectively, indicated considerable variability, as these values considerably exceeded the respective means. The minimum values for CE, DW, and SI were all 0, while the maximum values were 18099.22, 12099.48, and 19798.45, respectively. The skewness of all the independent variables indicated right-skewed distributions due to their positive values, and the kurtosis values of 81.52, 81.84, and 46.82 for CE, DW, and SI, respectively, exceeded 3, signifying a deviation from normal distribution.

4.2. Test of Significance

The result obtained using the Panel Least Square (PLS) multiple regression estimation technique is presented below.

Table 3. Net asset per share model.

Variables	t-stat	Prob.	Stat. criteria
Intercept (C)	-46.523	0.0000	R2 = 0.866
Community engagement (CE)	-61.928	0.0000	F-statistics= 51.202
Dynamic workplace (DW)	31.727	0.0000	
Shareholders inclusiveness (SI)	39.260	0.0007	

Source: Researcher's computation (2022).

Table 3 provides the results from the panel least square analysis for the estimated net asset per share model. The coefficient of determination, denoted as R2 and presented in Table 3, is 0.87, which is equivalent to 87%. This high R2 value indicates that the model has a strong explanatory power. The absolute values of the calculated t-statistics for the coefficients of C, CE, DW, and SI are 46.52, 61.93, 31.73, and 39.26, respectively. In comparison with the t-critical values, it is evident that all the calculated t-statistics exceed the t-critical value at a 5% significance level. Therefore, we can conclude that the independent variables in the model are statistically significant at a 5% level of significance. The calculated F-statistic value is 51.20, which is greater than the critical F-table value. This indicates that the entire model is statistically significant. Furthermore, the probability associated with the F-statistic value is 0.00, which is less than 0.05. This suggests that the model as a whole is statistically significant.

4.3. Linearity Test

Table 4 provides insight into the relationship between net asset per share (NAPS) of manufacturing companies and the examined factors. The relationship between NAPS and dynamic workplace (DW) is both positive and statistically significant, with a coefficient of 0.81. This indicates that an increase in dynamic workplace practices corresponds to a positive effect on the net asset per share of manufacturing companies in Nigeria. Similarly, the association between NAPS and community engagement (CE) is positive, characterized by a coefficient of 0.80. This signifies that as manufacturing companies in Nigeria enhance their commitment to community engagement, it leads to an improvement in their net asset per share, with a substantial impact, as the probability value is recorded at 0.00.

The coefficient for shareholders inclusiveness (SI) is also positive and statistically significant at 0.81. This suggests that a one-unit increase in shareholders inclusiveness corresponds to a 0.81 unit increase in the net asset per share of manufacturing companies in Nigeria, making this relationship highly significant (P-value: 0.00). Additionally, the relationship between two of the explanatory variables, community engagement and shareholder inclusiveness, is significant and positive, with coefficients of 0.30 and 0.39, respectively. This implies that both factors positively influence the net asset per share of manufacturing companies. It is worth noting that there is no evidence of multicollinearity issues among the explanatory variables, as their values do not surpass the expected threshold of 0.7.

Table 4. Correlation analysis of study variables.

Correlation probability	NAPS	CE	DW	SI
NAPS	1.000000			
CE	0.807 (0.0000)	1.000000		
DW	0.800 (0.0000)	0.299 (0.0000)	1.0000	
SI	0.806 (0.0000)	0.397 (0.0000)	0.398 (0.0000)	1.0000

Source: Researcher's computation (2022).

4.4. Heteroscedasticity and Auto-Correlation Test of the Variables

A heteroscedasticity test was performed through the Breusch-Pagan test, yielding a probability value of 0.99. This result suggests the absence of heteroscedasticity issues, as the probability value exceeds 0.05. Furthermore, the data for this study underwent a test for autocorrelation using the Hausman specification test, resulting in a p-value of 0.09. In this case, we reject the null hypothesis because the p-value is greater than 0.05.

Table 5 presents post estimation test results.

Table 5. Post estimation test results.

Breusch-Pagan test for heteroscedasticity		
Null hypothesis	**Statistics**	**Probability**
Constant variance across the variables' residuals (P>0.05)	6.120	0.999
Hausman specification test		
Null hypothesis	Statistics	Probability
Coefficient in difference is not systematic	6.359	0.095

Source: Researcher's computation (2022).

4.5. Sustainable Business Practice and Going Concern of Manufacturing Companies in Nigeria

Table 6 presents the regression results that illustrate the impact of dynamic workplace (DW), community engagement (CE), and shareholders inclusiveness (SI) on net assets, as specified in the model that meets the criteria for Best Linear Unbiased Estimate (BLUE). The panel least square regression was analyzed, with the primary criteria for evaluation being the t-statistics and probability values. The R-squared value is reported as 0.87, indicating that the explanatory variables collectively influence the dependent variable by approximately 86.62%. The remaining portion of the influence is attributed to the error term, suggesting that there might be other significant sustainable business practices affecting net assets beyond the variables considered in the model. The overall findings reveal that dynamic workplace and shareholder inclusiveness have a positive and statistically significant impact on going concern, except for community engagement, which exhibits a negative and significant effect on manufacturing companies in Nigeria. The regression results demonstrate absolute t-values of 3.23, 5.23, and 5.26, with corresponding p-values less than 0.05.

Table 6. Panels least square regression results.

NAPS	Coef.	Std. error	T-statistic	Prob.
DW	31.727	9.817	3.232	0.0015
CE	-61.928	11.836	-5.232	0.0000
SI	39.260	7.451	5.269	0.0000
C	-46.523	8.200	-5.673	0.0000
Number of obs. = 197				
R2 = 0.866				
Prob > F = 0.000000				

Source: Researcher's computation (2022).

4.6. Discussion of Findings

Sustainability has emerged as a defining paradigm for businesses in the 21st century. In an era characterized by heightened environmental consciousness, evolving consumer preferences, and the urgent need for responsible resource management, sustainable business practices have transcended the realm of corporate social responsibility to become an indispensable component of organizational strategy. This study undertaken a comprehensive examination of how sustainable business practices influence the going concern status of selected manufacturing companies listed on Nigerian stock exchanges. The empirical findings from the study indicated the following relationships: This study found that a dynamic workplace had a positive and statistically significant impact on the going concern of manufacturing companies in Nigeria. In other words, when manufacturing firms invest in creating dynamic work environments that encourage innovation, flexibility, and adaptability, it enhances their ability to maintain and sustain their operations over time. This suggests that companies that embrace change and foster a dynamic workplace are more likely to ensure their continued existence and success in the long run.

Similarly, this research revealed that shareholder inclusiveness has a positive and statistically significant impact on the going concern of manufacturing companies in Nigeria. This means that when these companies actively involve and engage their shareholders in decision-making and governance processes, it contributes to their ability to remain viable and operational in the future. Shareholder inclusiveness can enhance corporate governance and decision quality, which, in turn, supports the long-term sustainability of the business. On the contrary, the study found that community engagement exhibited a negative and significant effect on the going concern of manufacturing companies in Nigeria. This suggests that a high level of community engagement may, somewhat unexpectedly, be associated with a decreased ability of these companies to maintain their operations and financial stability over time. It is important to note that this negative effect might arise due to various factors, such as excessive social responsibility commitments that divert resources from core business activities or possible conflicts between community interests and business objectives.

In summary, this research revealed that fostering a dynamic workplace and involving shareholders in decision-making processes positively contributes to the sustainability and going concern of manufacturing companies in Nigeria. However, an excessive focus on community engagement, as observed in this study, may have a counterproductive impact on the long-term viability of these businesses. It's essential for companies to carefully balance their social and community engagement activities with their core business strategies to ensure continued success and sustainability.

5. Summary, Conclusion, and Recommendations

In today's business landscape, sustainability has become a pivotal and non-negotiable aspect for organizations. This study delved into the influence of sustainable business practices on the going concern status of manufacturing companies listed on Nigerian stock exchanges. The research findings unveil a complex interplay between various sustainability factors and a company's ability to maintain its operations over time. The study's major findings indicate that fostering a dynamic workplace, one that encourages innovation, adaptability, and flexibility, significantly contributes to a manufacturing company's long-term viability. Similarly, actively engaging shareholders in decision-making and governance processes positively influences the company's ability to remain sustainable in the future. Surprisingly, a high level of community engagement, often considered a hallmark of responsible corporate citizenship, was found to have a negative impact on a company's going concern status. This could result from various factors, such as overcommitment to social responsibility activities that divert resources from core business functions or potential conflicts between community interests and business objectives. In essence, this research highlights the importance of finding the right balance between sustainability practices and core business strategies to ensure a company's continued success and sustainability. This study underscores the significance of sustainable business practices in the context of maintaining the going concern status of manufacturing companies in Nigeria. It reveals that fostering a dynamic workplace and actively engaging shareholders positively influence a company's long-term viability. However, a high degree of community engagement, when not carefully managed, may have unintended negative consequences. The findings emphasize the need for companies to adopt a holistic approach to sustainability that aligns with their core business objectives. Striking the right balance between social and environmental responsibility and economic sustainability is crucial for long-term success.

Based on the research findings, several recommendations can be made: Manufacturing companies should develop and implement a well-balanced sustainability strategy that integrates community engagement, shareholder inclusiveness, and the creation of dynamic workplaces with their core business objectives. Secondly, proper allocation of resources to both sustainability initiatives and core business operations is essential. Companies should avoid overcommitting to social responsibility activities that could divert resources from their primary functions. Thirdly, engaging stakeholders, including shareholders, in decision-making and governance processes is vital. This fosters transparency and good corporate governance practices. Lastly, regularly monitor and assess the impact of sustainability practices on the going concern status. Adjust strategies as needed to maintain a dynamic and effective approach to sustainability.

5.1. Suggestions for Future Studies

Future research in this area can explore the following: Firstly, a comparative study of sustainability practices in different industries or regions within Nigeria to identify sector-specific or location-specific nuances. Secondly, an investigation into the long-term impact of sustainability practices on a company's financial and operational performance. Thirdly, in-depth case studies of individual manufacturing companies that have successfully balanced sustainability with their core business strategies, providing practical insights for others. Finally, consideration of external factors, such as regulatory changes and market dynamics, in influencing sustainability practices and their impact on the going concern status.

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