Assessment of Corporate Social Responsibilities and Returns to Marketing Among Saw Millers in Iseyin Local Government of Oyo State, Nigeria.

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Introduction

Saw mills industries in Nigeria are currently constrained with the capacity to process small diameter logs from forest plantations. illegal felling and insecurity of tenure with respect to timber concession leads to enormous environmental damage and loss of biodiversity which contribute to the process of deforestation that have a long term negative impact on the livelihoods of forest-dependent people.

Corporate social responsibility is a form of corporate self-regulation integrated into a business model to monitor a business and ensures its active compliance with the spirit of the law, ethical standards and international norms. (Carrol,1979)

We assess the performance and effects of corporate social responsibilities on returns of saw wood marketing in Iseyin town of Oyo State.

Objectives of the Study

- Determine the activities of saw millers that have effects on immediate environment.
- Determine the effects of corporate social responsibility on returns to sawn wood marketing in the study area.
- Identify factors affecting the saw millers in discharging corporate social responsibilities to residents.

Analytical Techniques

Descriptive statistics.

Gross margin analysis.

Correlation analysis.

Multiple-linear regression analysis.

Correlation coefficients analysis

$R^2 = \sum(X_1 - X)(Y_1 - \bar{Y}) / \sqrt{\sum(X_1 - X)^2 (Y_1 - \bar{Y})^2}$

X = Effect of Corporate Social Responsibility (CSR)

Y = Returns on Sawn Wood

R = Correlation coefficient

Multiple linear regression model

$$y=\beta_0+\beta_1 x_1+\cdots+\beta_k x_k+e_i$$

Where

y = CSR was measured according to Carroll's (1991) pyramid of CSR, namely economic, legal, ethical and philanthropic responsibilities.

β_0 = Constant

β_1 …..β_k= Regression coefficients

x_1…. x_k= Independent variables such as age, sex, education, experience, returns and awareness.

e_i = error term

Photo taken from field survey, (2018)

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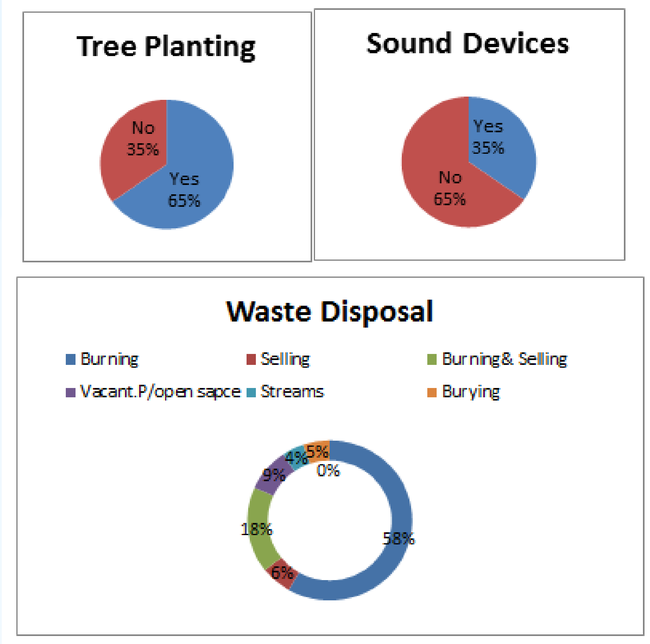
RESULT AND DISCUSSION

Activities of Saw millers on environment



Correlation coefficients between Corporate Social Responsibilities and Returns to Sawn Wood Marketing

- Pearson product-moment correlation coefficient was computed to assess the relationship between economic responsibility and returns to sawn wood marketing. There was a weak, negative correlation between economic responsibility and returns to sawn wood marketing, which is statistically significant (r = -.242, n = 115, p = .009).
- Pearson product-moment correlation coefficient was computed to assess the relationship between legal responsibility and returns to sawn wood marketing. There was a weak, positive correlation between legal responsibility and returns to sawn wood marketing, which is statistically significant (r = .142, n = 115, p = .130).
- Pearson product-moment correlation coefficient was computed to assess the relationship between ethical responsibility and returns to sawn wood marketing. There was a weak, positive correlation between ethical responsibility and returns to sawn wood marketing, which is statistically significant (r = .142, n = 115, p = .130).
- Pearson product-moment correlation coefficient was computed to assess the relationship between philanthropic responsibility and returns to sawn wood marketing. There was a weak, positive correlation between philanthropic responsibility and returns to sawn wood marketing, which is statistically significant (r = .158, n = 115, p = .092).

Discharging Corporate Social Responsibilities to Residents.

The table below reports four different regressions

Table 1: Regression Results on determinants of corporate social responsibilities.

	A	B	C	D
Constant	10.317 (2.721)	18.233 (2.668)	12.144 (2.387)	14.383 (4.467)
Sex	-1.863** (0.543)	0.293** (-3.325)	-0.198* (-2.021)	-0.190 (-2.068)**
Age	0.063** (0.025)	0.071* (0.025)	0.501*** (5.068)	0.496*** (3.732)
Education	0.189 (0.155)	0.134 (0.158)	-0.045 (0.143)	-0.213 (0.189)
Agreed price	-0.297** (-3.296)			
Compliance to the laws		0.172* (-1.860)	-0.212** (-2.377)	
Experience			-0.491*** (-5.394)	-0.551*** (5.679)
Provision of services				0.073 (0.775)
R-square	0.557	0.527	0.650	0.705
Adjusted R-square	0.264	0.221	0.422	0.445
No. Observations	115			

Standard errors are reported in parentheses.

***, **, * indicates significance at the 1%, 5%, and 10% level, respectively.

Conclusion

- The empirical result shows that either the saw millers in the study area discharge their corporate social responsibilities or not, it has no effect on the revenue generated by the saw millers. Therefore, saw millers needed to be enlightened and encouraged that the success of the business needs to be measure by more than just profitability.
- Saw millers need to give back to the community in which they operates, clean up all forms of pollution they have caused in their course of production and also provide infrastructural facilities to the community as a way of giving back and developing the community.
- Governments need to encourage saw millers by reducing the cost of production to make the products available to the populace at affordable prices, provision of regular supply of electricity, availability and supply of spare parts to replace the worn-out parts to reduce fatigue and the high energy required.

Photo taken from field survey, (2018)

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