



Socio-economic Concerns of Host Communities and Crisis Management of Agribusiness Companies in Benue State

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Abstract: *The aim of this study was to access the socio-economic concerns of host communities and crisis management of agribusiness companies in Benue State. Two hundred and fourteen respondents were chosen for the study via sample size determination. The regression model consisting of, standard social interaction, socio-economic wellbeing, improving knowledge and education, improving livelihood and empowerment of tribes and cooperatives played very important roles in crisis management of agribusiness companies operating in Benue State. The safety and health of the employees and domain consensus are necessary for setting effective work environment policies, accident safeguard, food and medical facilities. The study concludes that, there is significant effect of socio-economic concerns on host communities and crisis management of agribusiness companies in Benue State. Provision of schools, hospitals, bore holes, etc, should be one of the CSR activities of the companies so as to enable the host communities feel the impact of the companies first hand. Socio-economic concerns require that management take pro-active measure so as to prevent social unrest in the host community. Agribusiness companies should try and carry out free medical outreach and entrepreneurial trainings for community members.*

Key words: *agribusiness companies, host communities and crisis management, socio-economic concerns*

1. Introduction

Socio-economic concerns warrant the agribusiness company to engage in corporate philanthropy; contributing to community development activities and involving social projects (Ezeigwe, 2010; Ogidi, 2015). The safety and health of the employees and domain consensus are necessary for setting effective work environment policies, accident safeguard, food and medical facilities. As per the United Nations, “poverty is fundamentally a denial of choices and

opportunities, and a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to, not having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living on marginal or fragile environments, without access to clean water or sanitation". (UN Statement, June 1998 –signed by the heads of all UN agencies). Poverty is a socio-economic issue . Socio-economic issues are factors that have negative influence on an individuals' economic activity including: lack of education, cultural and religious discrimination, overpopulation, unemployment and corruption (Ogidi, Olotu and Olopete, 2013). Poverty is also a variable that determines one's socio-economic status - meaning, an individual's or group's position within a hierarchical social structure which depends on a combination of variables, including occupation, education, income, wealth, and place of residence.

1.1. Objective of the Study

The aim of this study was to access the socio-economic concerns of host communities and crisis management of agribusiness companies in Benue State.

1.2. Research Question

What are the socio-economic concerns of host communities and crisis management of agribusiness companies in Benue State?

1.3. Statement of Hypothesis

H0: There is no significant effect of socio-economic concerns on host communities and crisis management of agribusiness companies firms in Benue State

2. Methodology

2.1. Research Design

The study employed correlational survey research design. A survey research design seeks to obtain information that describes existing phenomenon by asking individuals about their perceptions, attitudes and values.

2.2. Population of the Study

The population consists of staff from private companies operating in Benue State, such as Ashi Rice, Miva Rice, Tito Randiaries and Gushen Water. The total population was made up of one hundred and sixty (460) staff who have worked for more than 5 years in the above mentioned private firms.

2.3. Sample Size and Sampling Determination

Two hundred and fourteen (214) respondents were chosen for the study through the use of Yaro-Yamene (1967) sample size determination technique.

2.4. Method of Data Collection

Primary data was used in this study. This was made possible by the administration of research questionnaires. Secondary data from literature was used to complement primary data results.

2.5. Data Analysis Techniques

The data for the study was analyzed using computer-based Statistical Package for Social Sciences (SPSS version 21 for Microsoft Windows). Statistics from multiple regression analysis was formally used to test the hypothesis for this study; the t-statistical tests were used to test the individual independent variable influence on the dependent variable.

3. Results and Discussion

3.1. Survey Response

A total of 214 questionnaires were sent-out and 177 were retrieved; after careful scrutiny, 13 were rejected, because they were defaced or improperly filled. A successful response rate of 82.7% was achieved as 164 of the questionnaires were considered acceptable.

3.2. Test of Hypothesis

The t calculated values are significant because they are greater than the t tabulated value (1.98). The F calculated value of 35.315 is greater than the F tabulated value and shows significant relationship between the output and input variables. The null hypothesis should be rejected and the alternative hypothesis (**H1**) accepted, which states that, *“there is significant effect of socio-economic concerns on host communities and crisis management of agribusiness companies in Benue State”*.

Table 1: Socio-Economic Concerns and Crisis Management (n=164)

	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	0.336	0.258		1.306	0.195
SSI	0.201	0.071	0.246	2.854*	0.005
SEW	0.178	0.079	0.198	2.251*	0.027
IKE	0.126	0.052	0.156	2.122*	0.000
IL	0.960	0.082	0.919	9.919**	0.000
ETC	0.499	0.144	0.358	3.475**	0.001

Note: Dependent Variable: **Crisis Management**, *, ** Correlation is significant at the 0.05 level & 0.01 level (2-tailed), F Calculated value = 35.315 at 0.05, R = 0.794, R² = 0.630, SSI=standard social interaction, SEW=socio-economic wellbeing, IKE=improving knowledge and education, IL=improving livelihood, ETC=empowerment of tribes and cooperatives

Source: SPSS Version 21 for Windows

3.3. Discussion of the Findings

The regression model consisting of, standard social interaction, socio-economic wellbeing, improving knowledge and education, improving livelihood, and empowerment of tribes and cooperatives played very important roles in crisis management of agribusiness companies operating in Benue State. This is in tandem with the United Nations (2010) study that absence of socio-economic assistance means susceptibility to violence, and it often implies living on marginal or fragile environments, without access to clean water or sanitation” (UN Statement, June 1998 –signed by the heads of all UN agencies). Socio-economic concerns warrants the firm to engage in corporate philanthropy; contributing to community development activities and involving social projects (Ezeigwe, 2010; Ogidi, 2014a). The safety and health of the employees and domain consensus are necessary for setting effective work environment policies, accident safeguard, food and medical facilities (Ogidi, 2014b). As per the United Nations, “poverty is fundamentally a denial of choices and opportunities, and a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to, not having the land on which to grow one’s food or a job to earn one’s living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. Poverty is a socio-economic issue. Socio-economic issues are factors that have negative influence on an individuals' economic activity including: lack of education, cultural and religious discrimination, overpopulation, unemployment and corruption. Poverty is also a variable that determines one's socio-economic status - meaning, an individual's or group's position within a hierarchical social structure which depends on a combination of variables, including occupation, education, income, wealth, and place of residence.

4. Conclusion

The study’s findings indicate that regression coefficients or slopes of socio-economic concerns variables have significant impacts on crisis management variables. These findings further support the alternate hypotheses that these regression coefficients or slopes are significantly different from zeros and have predictive powers in estimating crisis management of agribusiness companies operating in Benue State. The study concludes that, there is significant effect of socio-economic concerns on host communities and crisis management of agribusiness companies in Benue State.

5. Recommendations

- i. provision of schools, hospitals, bore holes, etc, should be one of the CSR activities of the companies so as to enable the host communities feel the impact of the companies first hand;
- ii. socio-economic concerns requires that management take pro-active measure so as to prevent social unrest in the host community; and
- iii. agribusiness companies should try and carry out free medical outreach and entrepreneurial trainings for community members

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