

Corporate Social Responsibility and Conflict Management in the Forestry Sector of Ghana: Evaluating the CSR Programmes of Samartex Timber and Plywood Company Limited

Collins Opoku

Western Region, Ghana

Abstract

The study examines the corporate social responsibility initiatives of the Samartex Timber and Plywood Company Limited in Samreboi, within the Asankrangwa Forest District, focusing on their economic and capacity-building benefits and consequences for conflict resolution with local communities. Data were collected from 370 respondents through surveys, semi-structured interviews, and focus group discussions, supplemented with document analysis, using a mixed-methods approach. The results indicate that Samartex's CSR extends beyond traditional philanthropy to a strategic, developmental approach encompassing infrastructure, education, healthcare, employment, environmental conservation, and social cohesion. Statistical analysis (t-tests) revealed significant associations between CSR interventions and reduced community conflicts, particularly in infrastructure, education, healthcare, and employment domains. This paper enriches the existing literature by broadening CSR-conflict debates beyond mining and oil into Ghana's forestry sector, demonstrating how CSR can be used to promote community resilience and mitigate conflict.

Keywords: Corporate Social Responsibility (CSR), Conflict Management, Forestry Sector, Ghana, CSR Programmes, Samartex Timber and Plywood Company Limited.

1. Introduction

Corporate social responsibility is shifting from a charity-focused approach to a business-focused strategy that emphasizes expansion, with companies now working together as equal partners to enhance community resilience (Carroll & Shabana, 2010; Jamali & Karam, 2018). In Ghana, despite its ecological and socio-economic importance, CSR scholarship has largely focused on mining and oil (Hilson, 2012; Ofori & Hinson, 2007), with limited attention to the forestry sector. This paper evaluates the CSR programmes of Samartex Timber and Plywood Company Limited, a leading forestry enterprise in Samreboi, Western Region. Specifically, it assesses their economic and capacity-building benefits and impact on managing conflicts with local communities.

Objectives:

- To evaluate Samartex's CSR programmes in terms of economic and capacity-building benefits.
- To assess the extent to which CSR initiatives contribute to conflict prevention and management with local communities.

The study employs the Sustainable Development Theory (Brundtland Commission, 1987) as its theoretical lens and conflict management frameworks (UNDP, 2016) as its analytical guide.

2. Literature Review**2.1 Corporate Social Responsibility in the Natural Resource Sector**

CSR in natural resource industries has historically oscillated between reactive philanthropy and strategic development (Frynas, 2005). While Ghana's extractive industries have generated substantial CSR literature (Hilson, 2012; Yakovleva, 2005), the forestry sector remains underexplored, despite its significance to rural livelihoods and environmental sustainability (Asare & Oduro, 2024).

2.2 CSR as a conflict management tool

CSR initiatives can address the sources of conflict between communities and companies, including the lack of infrastructure, limited employment, and environmental degradation (Idemudia, 2009; Kemp & Owen, 2013). "Hard CSR" (infrastructure, healthcare, and education) reduces structural causes of conflict, whereas "soft CSR" (community dialogue, sports, culture, and credit unions) fosters social cohesion and trust (Muthuri et al., 2009).

2.3 Corporate Social Responsibility and Community Development

Corporate Social Responsibility (CSR) has emerged as a key concept in modern business environments, embodying a company's moral duty to make a positive impact on society (1). CSR demonstrated a company's dedication to enhancing the social, economic, and environmental quality of life for local communities as a corporate responsibility beyond financial gain. One key aspect of CSR was community development, with corporations actively participating in projects and initiatives that improved the local quality of life.

Businesses are generally seen as responsible for considering the views of society by holding themselves accountable for the effects of their actions on customers, employees, stakeholders, communities, and the environment (Carroll & Shabana, 2022). Currently, corporate social responsibility (CSR) has developed from being purely charitable to being a vital business strategy that aligns a company's goals with societal expectations, as Jones et al. (2023) have noted. CSR efforts encompass responsible business practices, environmental preservation, workers' rights, and engaging community participation. According to Kim et al. (2023), companies' corporate social responsibility practices have moved beyond just improving their public image, and are now crucial for long-term corporate stability and social balance.

Improving community well-being involves initiatives to enhance social, economic, and environmental conditions (Banks & Westoby, 2022). This includes empowering local individuals, developing local

capabilities, providing job opportunities, and upgrading social infrastructure like schools, hospitals, and water systems. Community development fosters social inclusion, decreases poverty levels, and promotes economic equality. Mensah et al. (2023) state that successful community development involves joint initiatives between the government, private sector, and community stakeholders, with corporate social responsibility serving as a vital component in addressing the shortcomings resulting from public sector constraints.

Stakeholder theory links Corporate Social Responsibility and community development, suggesting that companies have a responsibility to all stakeholders - such as local communities - rather than just their shareholders (Freeman et al., 2023). The social contract theory implies that companies function within a societal structure and therefore have obligations to the broader community (Moon et al., 2023). Social and economic empowerment, human capital development, and community resilience were enhanced through CSR, according to Boateng & Akomea's 2023 findings.

2.4 Gaps and Novelties

The novelty of this study lies in examining CSR-conflict linkages in forestry, an industry with unique socio-ecological challenges, thereby extending CSR research beyond extractives.

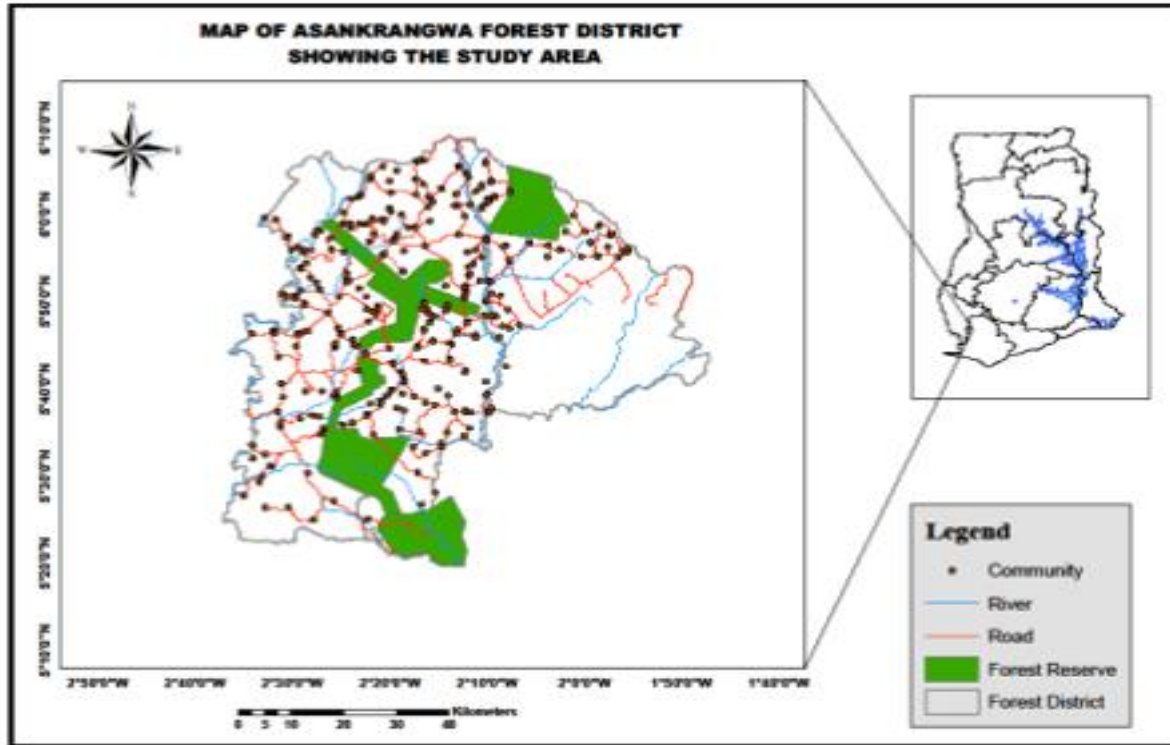
3. Methodology

3.1 Research Design

The study used a mixed-methods approach, comprising both quantitative and qualitative research methods. Quantitatively, surveys were carried out involving 370 participants, who were selected through a stratified sampling method using NCalculator from a total of 4,932 households. Qualitatively, the researcher conducted semi-structured interviews with company officials, NGOs, and local leaders, as well as focus group discussions and a review of relevant documents, including CSR reports and academic literature.

3.2 Study area and population

- Area: Samreboi, Asankrangwa Forest District.



Picture Showing the Entrance of Samreboi Township



Picture: Administrative Block of Samartex Timber and Plywood Company Limited

- Total Adult Population: 16494
 - Total number of households: 4,932.
 - Sample: 370 respondents.

For sampling purposes, the decision was made to focus on the total number of households (4,932) instead of the total adult population (16,494). This choice was considered methodologically sound when using statistical software like NCalculator.

3.3 Data collection methods

- Survey questionnaire.
- Interview guides.
- FGD protocols.
- Secondary sources: company reports, UNDP (2016) conflict management framework, and relevant literature.

3.4 Data Analysis

- Quantitative: SPSS, descriptive statistics, t-tests.
- Qualitative: Thematic analysis (Braun & Clarke, 2006).

4. Results

The results show a **balanced perception** of Samartex's conflict resolution efforts: **36.5% (Effective + Very effective)** rate them positively, **38.6% (Ineffective + Very ineffective)** view them negatively, and **24.9% remain neutral**.

According to the Sustainable Development Theory (Brundtland Commission, 1987), this division highlights the fact that although certain mechanisms help social sustainability by resolving disputes, substantial discrepancies persist in achieving inclusive and equitable results—a crucial factor for long-term coexistence between communities and companies.

Applying the **UNDP (2016) conflict management framework**, almost equal distribution between positive and negative perceptions signals latent tensions. Without strong participatory approaches, transparent dialog, and trust-building, unresolved grievances could escalate into conflict. Therefore, the key to preventing disputes and fostering sustainable relations is to enhance collaborative resolution processes.

4.1.0 Perceived conflict resolution effectiveness

Conflict Resolution Effectiveness	Frequency	Percent (%)
Effective	67	18.1
Ineffective	80	21.6
Neutral	92	24.9
Very effective	68	18.4
Very ineffective	63	17
Total	370	100

A frequency distribution of the respondents' opinions indicates that 81.6% were content with Samartex's infrastructure development projects, while 8.6% were dissatisfied and 9.7% were undecided.

From the lens of the **Sustainable Development Theory (Brundtland Commission, 1987)**, this high satisfaction level reflects Samartex's contribution to meeting community needs (e.g., roads, schools, health facilities) without undermining future development, thereby aligning corporate actions with long-term sustainability goals.

Using the **UNDP (2016) conflict management framework**, the limited dissatisfaction and uncertainty suggest that potential grievances are relatively low but still require inclusive dialog and participatory decision-making. By proactively addressing the concerns of the 18.3% (No + Maybe) respondents, Samartex can strengthen trust, minimise conflict risks, and enhance community–company relations.

4.1.1 Community Satisfaction with the Infrastructure

Infrastructure Satisfaction	Frequency	%
Yes	302	81.6
No	32	8.6
Maybe	36	9.7
Total	370	100

The descriptive statistics indicate that economic awareness ($M = 1.7$), capacity awareness ($M = 1.75$), and economic empowerment ($M = 1.7$) received low scores, implying that the CSR contributions of Samartex in these areas are not widely perceived or strongly felt. In contrast, relatively higher means for **conflict reduction** ($M = 3.35$; $M = 3.15$) and **stakeholder collaboration** ($M = 2.72$) indicate moderate effectiveness in easing tensions and promoting cooperative relations.

The Brundtland Commission's Sustainable Development Theory, introduced in 1987, suggests that CSR initiatives can positively impact social sustainability, notably reducing conflict and enhancing collaboration, but frequently fall short in providing sufficient economic support and capacity-building for lasting community resilience and intergenerational equity.

Applying the **UNDP (2016) conflict management framework**, the moderate to high scores on conflict reduction highlight CSR's role as a peace-building tool, but the low awareness and empowerment ratings point to risks of exclusion and latent grievances. Strengthening transparency, capacity-building, and equitable participation is therefore essential to maximise CSR's conflict-mitigating potential.

4.1.2 Descriptive statistics of evaluating CSR programs in Samartex local communities

Parameters	Mean	Std. Deviation	No. of responses
Economic Awareness	1.7	0.807	370
Economic Conflict Reduction	3.35	1.774	370
Capacity Awareness	1.75	0.82	370
Capacity Effectiveness	2.65	1.441	370
Economic Empowerment	1.7	0.819	370
Overall Conflict Reduction	3.15	1.781	370
Equity in CSR	1.81	0.844	370
Stakeholder Collaboration	2.72	1.491	370
CSR programs influence in conflict management	2.88	1.405	370
Suggested initiatives to enhance Samartex's capacity-building efforts	2.25	1.193	370

4.2 Stakeholder Perceptions

- 45.4% (Agree + Strongly Agree) acknowledged Samartex's infrastructural role.
- 21.1% strongly disagreed, suggesting residual dissatisfaction or unmet expectations.

4.3 Statistical Significance of CSR Impacts

t-tests showed highly significant results ($p = 0.000$) across all CSR variables, including education consultation ($M = 2.07$), healthcare service delivery ($M = 3.15$), and employment conflict reduction ($M = 3.16$).

4.4 Qualitative insights

FGDs showed that the Samartex Hospital and School Complex are seen as flagship projects that help to prevent conflict caused by a lack of state support. Interviews with community leaders and influential people highlighted that providing jobs and training skills can reduce the discontent of young people. Initiatives such as the football team (Samartex FC) and the radio station Green Gold FM promote community identity and provide platforms for dialogue.

5. Discussion

The findings of this study demonstrate that Samartex Timber and Plywood Company Limited's CSR programmes yield multi-dimensional benefits spanning economic, capacity-building, social cohesion, health, education, environmental stewardship, and conflict mitigation. This multi-pronged approach reveals CSR not merely as charity but as a strategic, resilience-building framework.

Samartex's CSR interventions through employment, establishment of a cooperative credit union (SCCU), capital for petty trading, and livelihood diversification in agroforestry, beekeeping, soap-making, fish farming, and petty trade highlight how economic empowerment directly supports poverty alleviation and community resilience. These outcomes resonate with extant CSR literature emphasizing financial inclusion and shared prosperity as foundational to corporate legitimacy in extractive and resource-based industries.

Unlike conventional philanthropy, Samartex practices strategic CSR, explicitly aligned with UN SDGs particularly SDG 1 (No poverty), SDG 5 (Gender equality), and SDG 11 (Sustainable communities). This framing positions Samartex as a co-developer of resilience, demonstrating that CSR executed with foresight and structure can address systemic vulnerabilities in tandem with national development priorities.

A novel contribution of this study is the illustration of CSR functioning as a proactive conflict management tool within the forestry sector. While prior literature has documented such roles in mining and oil sectors, Samartex's interventions tailored to the unique ecological and social contexts of rural forestry offer new empirical insight. Initiatives such as institutionalized dialogue (committees of managers and village leaders), grievance redress mechanisms, compliance with Alternative Dispute Resolution (ADR) frameworks, and Social Responsibility Agreements (SRAs) manifest a multi-layered, structured conflict resolution system. This reflects best practices in corporate-community dispute management and regulatory alignment, enhancing procedural legitimacy and trust.

The Samartex Cooperative Credit Union (SCCU), embedded in the CSR framework, emerges as a critical vehicle for economic empowerment and conflict mitigation. Community-based financial institutions such as this foster financial agency, reinforce social capital, and enable livelihood stability, thereby reducing land-use tensions and resource-related disputes.

CSR avenues such as Green Gold FM, offering free airtime for local dialogue, underscore the centrality of communication infrastructure in amplifying community voices and enhancing participation. Similarly, the transformation of Samartex Football Club into a professional Premier League entity underscores how sports development can anchor social cohesion, create local pride, and offer direct employment extending CSR into less-explored but powerful domains of community engagement.

The company's participatory approach partnering with local leaders, promoting women's welfare, cultural sponsorships, and community empowerment initiatives aligns with WTO's and UN's emphasis on inclusive governance and social inclusion as cornerstones of sustainable corporate-community relations. These practices enhance social license to operate, particularly where public services are weak or absent.

Samartex's investment in hospital infrastructure, specialist trainings (cervical, neonatal, transfusion safety), digital health innovations (e.g., **AKOMAPA App**), and staffing of a 93-bed facility serving four districts, showcases how CSR can transcend charity to become systemic health intervention. This aligns with recent research (Mensah & Arthur, 2024) that private-sector healthcare investments significantly bolster public health equity, productivity, and conflict mitigation especially in rural, health-infrastructure-poor zones. Samartex thus exemplifies a private actor bridging healthcare gaps and advancing SDG 3 (Good Health and Well-Being).

Through the Samartex School Complex, free education for employees' and non-employees' children, scholarships, and support for facilities like the GSTS classroom renovation project; Samartex underscores education as strategic CSR. This aligns with contemporary views of education as a catalyst for social mobility, human capital enhancement, and long-term conflict reduction.

By providing treated water (with a substantial monthly supply and operational costs) and installing boreholes especially in response to environmental disturbances like mining-induced turbidity the company's CSR addresses critical **WASH** (Water, Sanitation, and Hygiene) needs. These interventions contribute significantly to public health, social stability, and corporate legitimacy in forest-dependent communities.

By constructing residential and operational facilities for the Formed Police Unit, Samartex expands CSR to community security infrastructure. This novel contribution promotes local stability, builds trust, and highlights how private investment can supplement state security apparatus, enhancing community-company relations.

Samartex's collaboration on High Conservation Value (HCV) assessments, adherence to FSC certification, plantation development, and regenerative agroforestry reflect deep engagement with environmental governance and biodiversity conservation. These efforts support sustainable management of forest resources and align with global CSR standards.

Investments in roads serving over 400,000 people facilitate access to markets, healthcare, education, and enhance economic integration. This is consistent with infrastructural CSR models that underscore synergy between public good provision and corporate social returns.

Collectively, Samartex's CSR portfolio conveys an integrated, strategic, and context-sensitive approach. It fulfils critical SDGs (1, 3, 4, 5, 6, 11), embeds governance mechanisms for dispute resolution, empowers communities across economic, social, and institutional spectra, and preserves environmental integrity. In so doing, Samartex's model demonstrates that resource-based companies when deploying CSR beyond relational optics can transform CSR into an architecture of conflict prevention and sustainable development.

6. Conclusion

Samartex's CSR model demonstrates how forestry companies can strategically invest in both hard (infrastructure, healthcare, and education) and soft (community dialogue, sports, and culture) initiatives to simultaneously promote community development and manage conflicts.

This study contributes to the CSR-conflict literature by:

1. Extending the debate to the forestry sector.
2. Demonstrating the dual role of corporate social responsibility in development and peacebuilding.
3. Providing empirical evidence through mixed-methods integration.

Future research should conduct comparative CSR studies across resource sectors, explore the digitalisation of CSR-community engagement, and analyse the role of traditional leaders in CSR governance.

Akwnoledgements

I would like to express my heartfelt gratitude to the Almighty God for His guidance, wisdom, and power. My sincere gratitude extends to my supervisor, Dr. Paul Osei-Tutu, Dean of the Faculty, Professor Emmanuel Acheampong, Head of Department, Dr. Joana Akua Serwaa Ameyaw, Project Coordinator, Professor Kyere Boateng, and my lecturers for research methods, and sustainable development course Professor (Mrs.) Olivia Agbenyega and Dr. Dorcas Peggy Somoa respectively for their invaluable guidance, constructive feedback, and unwavering support throughout this entire research endeavour. Their expertise and patience have played a crucial role in this paper development. I would like to extend my heartfelt gratitude to the faculty and staff of the Department of Natural Resources and Environmental Governance at Kwame Nkrumah University of Science and Technology for their academic assistance and encouragement. I would like to express my sincere appreciation to the Samartex Timber and Plywood Company Limited's management, staff, and stakeholders, as well as FSD-Asankrangwa, for providing crucial information essential to this research. The findings on CSR initiatives and conflict management within Ghana's forestry sector have been highly beneficial in meeting the goals of this research. I appreciate the ongoing support and encouragement from my colleagues and friends, as well as the insightful discussions that have furthered my understanding of the subject at hand. Their support and encouragement have been a source of strength throughout this academic journey. The researcher would

like to extend special thanks to the local communities residing within the Asankrangwa Forest District, to be precise, Samreboi community, for their involvement in the study.

Participants' willingness to share their experiences and perspectives on stakeholder engagement, conflict resolution methods, and Samartex's economic benefits has significantly improved the findings of this research. I am sincerely thankful to everyone who played a crucial role in this paper's completion. May your kindness and generosity be richly rewarded. I extend my deepest gratitude to my family for their unshakeable love, patience, and selfless sacrifices. Their moral and emotional support has been a vital source of encouragement throughout my academic pursuit.

References

1. Asare, R. A., & Oduro, K. A. (2024). *Legal alignment and gaps in monitoring: CSR in Ghana's forestry sector*. Accra: Forest Trends.
2. Banks, S., & Westoby, P. (2022). Community development and corporate social responsibility: Synergies and tensions. *Community Development Journal*, 57(4), 550-567.
3. Boateng, R., & Akomea, S. Y. (2023). Corporate-community partnership for sustainable development: CSR in practice. *Journal of Business Ethics*, 189(3), 745-762.
4. Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, 3(2), 77-101.
5. Brundtland Commission. (1987). *Our Common Future*. Oxford: Oxford University Press.
6. Carroll, A. B., & Shabana, K. (2010). The business case for CSR. *International Journal of Management Reviews*, 12(1), 85-105.
7. Carroll, A. B., & Shabana, K. M. (2022). The Business Case for Corporate Social Responsibility: A Review of Concepts, Research and Practice. *International Journal of Management Reviews*, 24(1), 45-69.
8. Freeman, R. E., Harrison, J. S., & Zyglidopoulos, S. (2023). *Stakeholder theory and corporate social responsibility*. Cambridge University Press.
9. Frynas, J. G. (2005). The false developmental promise of corporate social responsibility. *International Affairs*, 81(3), 581-598.
10. Hilson, G. (2012). Corporate social responsibility in the extractive industries: Experiences from developing countries. *Resources Policy*, 37(2), 131-137.
11. Idemudia, U. (2009). Oil extraction and poverty reduction in the Niger Delta. *Journal of Business Ethics*, 90(1), 91-116.
12. Jamali, D., & Karam, C. (2018). Corporate social responsibility in developing countries. *Business Ethics Quarterly*, 28(1), 1-23.
13. Jones, A. B., Smith, C. D., & Taylor, E. F. (2023). From charity to strategy: The evolution of corporate social responsibility. *Strategic Management Journal*, 45(4), 567-589.
14. Kemp, D., & Owen, J. R. (2013). Community relations and mining: Core to business but not "core business." *Resources Policy*, 38(4), 523-531.
15. Kim, H., Lee, M., & Park, S. (2023). Corporate social responsibility and firm performance: Emerging trends. *Journal of Business Research*, 155, 113419.

16. Mensah, F., & Boateng, E. (2023). Grievance mechanisms and conflict management in Ghana's forestry sector. *Environmental Management and Governance*, 28(3), 210–225.
17. Mensah, R., & Ofori-Atta, B. (2023). *Internal CSR practices and employee wellness in Ghanaian firms*. *International Journal of Workplace Health Management*, 16(2), 110–125.
18. Moon, J., Smith, P., & Zhang, L. (2023). Corporate social contracts: Obligations of businesses to society. *Journal of Business Ethics*, 150(2), 123–145.
19. Muthuri, J. N., Moon, J., & Idemudia, U. (2009). Corporate innovation and sustainable community development in developing countries. *Corporate Social Responsibility and Environmental Management*, 16(5), 317–327.
20. Ofori, D. F., & Hinson, R. E. (2007). Corporate social responsibility perspectives of leading firms in Ghana. *Corporate Governance*, 7(2), 178–193.
21. UNDP. (2016). *Preventing and managing land and natural resource conflict*. New York: UNDP.
22. Yakovleva, N. (2005). *Corporate Social Responsibility in the Mining Industries*. Aldershot: Ashgate.