

Corporate Governance: Actual and Aspirations, and Ethical Commitments-A field study-on Private Northern Jordanian Universities (The higher education sector – Jordan)

*Dr. Ali A. Wagfi, Assistant professor (wagfiali@yahoo.com)
Faculty of Business & Economic, JADARA University
PO Box: 21110 PA: 733, Jordan- Irbid

Abstract

The study aims to investigate the reality of governance, and to which degree is the concept actually applied in the Jordanian Private Universities. To achieve the objective of the study, a questionnaire was developed for data collection which consisted of four sections, and was distributed to all members of the sample, which amounted to (250) individuals representing five private universities. The data was analyzed using (SPSS) based on the average, standard deviations regression analyses and correlation coefficient of T and F. The study major results are the following: There is a positive medium degree of satisfaction for Governance application in the private universities, and participation of decision making was low. The study came up with the following recommendations: work on activating the reality of governance, related concepts, as well as working to maintain spirit of justice, equality and value of the accountability, transparency, participation, and development of the constructive spirit of citizenship committed to ethics, motivate and encourage college faculties to respond to and interact with such type of studies.

Keywords: Governance, University governance, Business Ethics, Social Responsibility, Stake holder, Transparencences.

1. Introduction

In the midst of transitions and global changes and what accompanied by the financial and economic crises during the past two decades, the perception of governance organizations become growing, and now seen to it as an effective treatment for many defaulting organizations, which was accompanied by a lot of chaos and corruption in various fields.

The distinction in performance became permanent obsession of business organizations and quality factor; the way to achieve the goals set by compliance with legislation and frameworks to protect the rights of individuals and dealers within the framework of social responsibility, ethical obligations, and constructive citizenship which reflect the cultural desired reference for organizations that seeking to survival, continuity and growth, reaching to administrative distinguished which sought by effective leadership that sets the foundations and standards for the application of plans and policies as decision-making that consistent with the values and work ethic.

In view of the important and serious role played by the universities in the field of higher education, especially since that the main source to supply the local and the external community by qualified competencies and capable to giving from scientific graduates, it had to take the initiative to activate the concept of governance and is spared by research and scientific studies in order to improve the quality of educational outcomes, and improve the academic performance of the levels hoped for.

This study aims to framing the intellectual the concept of governance in general, and in the private universities of Jordan over the research in particular, and that the definition of this concept, and highlight its importance and its relationship to performance improvement, and knowledge barriers to it. In order to achieve this department researcher of this study into four main parts included: the research methodology, theoretical framework, field analysis, and then issuing results and recommendations.

2. The Study Importance

The most important points of this study are to:

- 2.1. Limited number of the studies that have on the subject of governance of universities, especially private ones.
- 2.2. An invitation for the attention by internal audience in the private universities, especially students, and faculty members.
- 2.3. An invitation attention for the legislation and regulations that frame the values of justice, transparency and accountability, and equality.

2.4. Prevalence of corruption and administrative slack and physical or administrative imbalances , which necessitated with it to resort to legislation and regulations that would clarify the relationship between all the relevant authorities, and to facilitate the effective work procedures within the frameworks of ethical and social responsibility in the private universities in Jordan.

2.5. Effective role and expectations of governance in the higher education sector in order to promote the better levels in the academic performance.

3. The Study Objectives

This study aims to achieves the following objectives

3.1. Definition of reality and concept of corporate governance in business organizations (private universities in the north of the Kingdom of Jordan).

3.2. Knowing the extent of the commitment involved in the study sample foundations and legislation that clarifies the relationship between management and workers, and with the stakeholders and shareholders.

3.3. Knowing the extent adhere to ethical standards to work from the perspective of social responsibility and values, and decision-making aimed at achieving the goals.

3.4. Reach to conclusions of which hopefully help crystallize the concept of governance, and the extent of its application in business organizations, and find out the benefits accruing from it.

3.5. Identify obstacles that may impede application of corporate governance in the higher education sector representative a sample of private universities in the north of the Kingdom of Jordan.

4. The Study Problem

The problem of the study originates from the magnitude of the challenges faced by universities in general, and private universities in particular, as it cannot confront these problems and find solutions to them by previous traditional methods, which became with it governance and good management are desired hope to meet these challenges and mitigate of its effects as much as possible. Researcher finds that there are two questions this study seeks to answer them:

4.1. What is the recognize extent the concept of governance by the involved sector in the study segment?

4.2. What is the application extent of this concept in reality in private universities which related to this study? Through attention to the rights of shareholders, disclosure and transparency, and the responsibility of universities to their internal and external society.

5. The Study Hypotheses

For the purposes of data analysis and stands the results the researcher put the main hypothesis and emerging from it four sub-hypotheses as follows:

5.1. There is no positive degree of satisfaction for the application of the governance concepts in **general** in the Jordanian private universities.

Derived from the main hypothesis the sub- hypotheses as following:

5.1.1. There is no positive degree of satisfaction with regard to the rights of **shareholders** in private universities in Jordan.

5.1.2. There is no positive degree of satisfaction with regard to the rights of **stakeholders** in private universities of Jordan.

5.1.3. There is no positive degree of satisfaction with regard to the level of **disclosure** and **transparency** in private universities in Jordan.

5.1.4. There is no positive degree of satisfaction with regard to **social responsibility** undertaken by the private Jordanian universities toward her local community.

6. Literature Review

6.1. The Study of Al Baidhani ⁽¹⁾: entitled the impact of corporate governance on the performance of banks in Yemen and the GCC countries, The study discussed the impact of a number of independent variables on the performance of banks, as measured by return on equity(**ROE**), return on assets (**ROA**) and net profit (**NP**). Study showed a statistically significant relationship between the two variables (age of the bank and the number of board meetings during the year) and the profitability of shareholders' equity, and proved the existence of an inverse relationship between the two independent variables, the independence of the Board of Directors of the bank's size and profitability of the bank in return on assets. The existence of a statistically significant relationship between the two variables age of Bank and the existence of committees to assist the Board of Directors and the

profit margin and the existence of an inverse relationship between the changing concentration of ownership and the profit margin. The researcher recommend to the need to give the governance the importance that they deserve in business organizations because of its positive impact on the management and profitability

6.2. The study of Briqaan & Qurashi ⁽²⁾: entitled Governance universities and their role in the face of challenges. Study addressed the subject of governance of universities in light of the increasing interest in the governance of universities in recent years on a global level and local level. Study tried to highlight the role of the governance of universities in achieving a degree of transparency and justice, and helps the university administration in carrying out its role of President in the face of challenges. Researcher tried to answer two Queries as a problem came from the study are: What is the concept of corporate governance and the concept of governance of universities in particular, and how to contribute to the concept of corporate governance in the face of the challenges faced by universities. The researcher used the descriptive approach in the study and has been reached to a number of results as follow:

- It's Difficult to meet the challenges that face higher education institutions in the Arab world by traditional methods. And must be resorting to creativity and innovation.
- The governance of universities Constitute an important reality to make a change and meet the challenges. & Study concluded a set of recommendations including:
- Work to build standards of corporate governance and the establishment of bases in the universities, and the development of legislation that will ensure true independence of universities from the various physical and administrative aspects.
- Spreading the culture of corporate governance by focusing on transparency, accountability and participation.

6.3. The Study of Hussein & Omar ⁽³⁾: entitled the framework of corporate governance in Algeria Reality and Prospects, This study aimed to identify the reality of the framework of corporate governance in Algeria, according to the principles of the Organization for Economic Cooperation and Development of the institutions listed on the Stock Exchange Algeria. Was built index governance consists of five dimensions represent the principles of corporate governance, namely: the responsibilities of the Board of Directors, the rights of shareholders, equitable treatment of shareholders, disclosure and transparency, and the role of stakeholders. Researcher used some statistical methods such as circles and standard deviations, and the T values, The study concluded that the institutions under study, committed to the principles of corporate governance moderately, and recommended that a guide is mandatory for the corporate governance of listed stock in Algeria with the study of the extent to which the legal process and with the principles of corporate governance.

6.4. The Study of Haboush ⁽⁴⁾: entitled the commitment of Palestinian public shareholding companies rules of corporate governance , a study of the performance of the internal and external auditors and managers of joint stock companies , study aimed to identify the extent of the contribution of the internal auditor and the external auditor to improve the financial decisions , the study of the obstacles that hinder the application of corporate governance at public companies in Palestine and formulation proposed framework for corporate governance principles to contribute . Study concluded a set of results was the most important obligation of public shareholding companies in Palestine principles generally accepted corporate governance with the commitment to these principles was the level of the average. Varies the level of commitment of principle to the last, also excels Palestinian banks on the other of public shareholding companies in the application of the principles of corporate governance.

6.5. The Study of Dahawy ⁽⁵⁾: entitled the Developing Nations and corporate Governance: The Story of Egypt, the researcher Try in this study to evaluate the disclosure of the principles listed companies in the stock exchanges in Cairo and Alexandria through the study and analysis of the financial statements to her, and the study concluded that the level of disclosure low for companies under study, and recommended that an increased focus on training and the definition of stakeholders, especially senior management of the benefits of corporate governance, as well as intensification of studies on the measurement of the disclosure of corporate governance and the extent of the commitment of institutions in developing countries because of its advantages over sustainable development, increased confidence in the economy and strengthen competitiveness.

6.6. The Study of Beiner & Zimmerman ⁽⁶⁾: entitled An Integrated Framework of corporate Governance and Valuation, this study tried to discover whether the practice of corporate governance have a positive effect on the company's valuation, as the study sought to build a guide to corporate governance Swiss based on a comprehensive survey of all listed companies in the stock market Swiss as each survey questions relating to the recommendations of the Guide Swiss better practices. Yet analysis of the data shows that there is a positive relationship between governance and evaluation of the company, as the companies that applied better standards of governance you get to evaluate the highest in the stock market, as the study showed that the size of the Board

of Directors is linked to a positive value of the company, and worked study on the development of a guide to governance based on the recommendations and suggestions Swiss in the directory for best practices.

6.7. The study of Ramadan⁽⁷⁾: entitled the impact of corporate governance on the cost of capital owned, An Empirical Study on the Jordanian market. Study aimed to examine the relationship between corporate governance and the cost of capital owned by industrial companies in Jordan. Study focused on five properties to the Board of Directors commonly used in research corporate governance in order to reach a measure of the strength of corporate governance for each of the companies within the sample, and the addition of two variables two officers are the size of the company and the ratio of market value to book value per share , the study found that there is a negative impact statistically significant for the governance of the institutional costs of capital owned by the industrial companies of Jordan , so we can say that companies with strong corporate governance has owned the cost of capital low compared to companies with weaker governance.

6.8. The Study of Halawa & Taha⁽⁸⁾: entitled the reality of corporate governance at the University of Jerusalem, the aim of this study was to verify the use of methods of Governance College at the University of Jerusalem, and for the purposes of quality in higher education outcomes. Of the findings of the study, methods of governance in place , but not at the required level , and is dealing with the problems and education issues through the values and trends more than the application of standards of governance , and that decisions are made mostly improvised without regard to the laws in force , and that the weakness of financial resources adversely affect the application of systems of governance (good governance) and the job security of employees , and salaries and benefits , vacations do not apply the required level , however, encourage scientific research was largely Excellent.

Researcher notes through a review of these previous studies and comparison with the current study, that there are an agreements with each other and differences with each other, it has agreed that the results of this study with each the study of Hussein and Omar, and the study of Haboush and study Halawa & Taha in terms of the commitment of the institutions concerned to study the principles of corporate governance moderately, the study Beiner & Zimmerman in terms of the practice of governance that have a positive effect on the company. And it has disagreed with the study of the subject disclosure Dahawy as this study did not show positive results so.

7. The Methodology

7.1. The Study Population

The study population represents in the Jordanian private universities which follow the system of higher education and its number so far (17) University up to date, distributed all over the provinces of the Kingdom.

7.2. The Study Sample

The study sample Composed of the private universities of Jordan located in the north provinces of the kingdom and number of it is five universities: Jadara University, Irbid National University, University of Jerash, Ajloun University and Philadelphia University. Constitute the percentage (23%) of the study population. Taken into account in the selection of this sample, the geographical dimension converged relatively compared to some other universities, and that regardless of the factor of time and effort, note that this region is witnessing a high population density.

7.3. Statistical methods:

The researcher used Statistical Package for the Social Sciences (SPSS) through mathematical Average, standard deviations, the correlation coefficient, regression, and the T test for the levels of significance.

7.4. Data Collection Tool

It has been adoption of a questionnaire as a tool for data collection consists of four main sections: the first section to the extent the application of some of the concepts related to governance and the number of paragraphs (12). The Second section to know some of the obstacles that may stand in the way of governance and the number of paragraphs (6). The Third section is a main body of questionnaire and includes a thirty paragraph centered around four key issues: the rights of shareholders, the rights of stakeholders, disclosure and transparency and social responsibility. And the last section related to personal opinion of questioner on how to raise the level of university performance from the perspective of ethics, and good citizenship and culture. Taken into account when developing the questionnaire questions it follows the system of Likert for the first three sections, according to ordinal scales Ordinal Scale Section IV comprising the open-ended questions to the questioner leaves the freedom to answer in order to enrich the study with as much information. It was distributed questionnaires to a sample study by the researcher personally through several frequent visits. Appendix (A) Appendix shows that.

7.5. The Variables

The most important variables that are measured are: the rights of shareholders and of the paragraphs (1-7), the rights and interests of stakeholders from the paragraphs (8-17), disclosure and transparency, paragraphs from the (18-23), and the social responsibility of the paragraphs (24-30), and each of which consists of a group of Items in addition to variable university performance as a dependent variable.

7.6. Limitations & difficulties

Researcher did not face any importance challenges or difficulties in this study.

7.7. Constancy & Sincerity of the tool

For the purposes of ascertaining the sincerity of the questionnaire and its validity it has been presented to a group of specialist's professors in this area, were taking their observations and their guidance. For the purposes of constancy it has been used coefficient Cronbach's alpha where it was reading (0.87). And came the degree of confidence for the main variables study high and ranged between (0.83-0.91).

7.8. It was conducted exploratory study on a sample consisting of partial (15) questionnaire, has been useful in identifying some of the other aspects, and has been taken in consider to make some adjustments accordingly.

8. Conceptual Framework

8.1. The Concept of Governance

The definitions are diversified and numerous concepts that dealt with the term of Governance, depending on the variations among those interested, whether variations cultural, social, professional and other, but aspects of the agreement about that is prevailing, and seen the term governance as a translator shortcut that spread of the term Corporate Governance, The Scientific Translation this term and agreed, are: "style exercise authorities of rational management." The definitions varied provided for this term, so that shows each term from the point of view adopted by the provider of this definition.

Definition of IFC, governance as: "is the system through which the corporate management and control in their work." ⁽⁹⁾, and the Organization for Economic Cooperation and Development (OECD) is defined it as "a set of relationships among those in charge of the company's management and board of directors and shareholders and other shareholders". ⁽¹⁰⁾, there are those who defined as: "Total" rules of the game "which is used for the management of the company from the inside, and the board of directors to oversee it to protect the rights and interests of the financial shareholders" ⁽¹¹⁾. Other words, the corporate governance means the system, the sense of an systems governing relations between the principal parties that affect performance, It also includes elements of strengthening the organization in the long term and determine the responsible and responsibility.

There are those who defined as "total" rules of the game "which is used for the management of the company from the inside, and the board of directors oversee them to protect the rights and interests of the financial shareholders" ⁽¹²⁾. the aims rules and regulations of governance to achieve transparency and justice, and was granted accountable management of the company, and thus achieve the protection of the shareholders and holders of all documents, taking into account the interests of employers and workers, and reduce the abuse of power is in the public interest, leading to the development and encourage the flow of investment, savings and development, and to maximize profitability, and provide new job opportunities.

Governance focus in the developed economies on the confirmation from the companies with public ownership are managed ethically and effectively and that has engaged directly with the problems arising from the separation of ownership and management, and this is done through a commitment to the principles of internationally recognized, such as the principles of the Organization for Economic Cooperation and Development Governance companies., and the application of existing rules and accurate disclosure of important information, especially concerning the financial situation of the companies.

See Sullivan that he can be linked to weak governance corporate economic collapse , and the inability to attract investment , and rampant corruption , and the failures of privatization , and a lack of maintenance of property rights , and other challenges faced by many countries in the world . Apply challenges mentioned on the Middle East, especially with the attempt many countries shift to free-market economies. This requires that acquires corporate governance on the bulk of the transformation process. And Airamilstin has led Organization for Cooperation and economic Development to a set of principles of corporate governance, of transparency, accountability, integrity, and responsibility. these four values contribute to the existence of an active program of governance is able to come up with tangible results , with the knowledge that the application of those principles requires joint cooperation between the companies themselves, and the government , as well as business associations ⁽¹³⁾.

Some scholars in the field believe that governance standards could fall under five groups as follows:

8.1.1. The Right of shareholders: Include the right to transfer ownership of the stock, and vote in the General Authority, and selecting the Board of Directors, and get the profits and the right to effective participation in the meetings of the General Assembly.

8.1.2. The equitable treatment of shareholders: means equality between shareholders within each category, as well as their right to vote in the General Authority in relation to the basic and important decisions in the company, and their right to access to all transactions with board members and executives managers.

8.1.3. The role of shareholders: means respect for their legal rights and compensation for any violation of those rights and to promote their participation in the control of the company and have access to the required information.

8.1.4. Disclosure and Transparency: This refers to the disclosure of important information and the role of the company auditor and disclosure of ownership of a large percentage of the stock and the disclosure relating to board members and managers.

8.1.5. The responsibility of the board: Include the structure of the Board of Directors and legal duties and how to choose its members and its primary functions, and its role in overseeing the executive management of the company⁽¹⁴⁾

From the standpoint of the World Bank there five areas to focus on governance of higher education and considered as the dimensions of the performance of a university which is better: the frame, administration, participation, accountability, and independence. It must listen to the voice of students and employers to assist in access to effective governance system.⁽¹⁵⁾

Many writers indicated that the main cause of attention to the issue of corporate governance is the separation between ownership and management, and thus between the shareholders and the management of the company. It is important to emphasize that this problem (the separation of ownership from management) stems from a difference of interests between managers and owners, as well as the owners do not have full information about the behavior of management and its administrative, so the agency problem arose from a difference of interests between management and the owners of the project.⁽¹⁶⁾

There are those who see governance from a narrow perspective, and some of them see it from a broad perspective, it is the narrow perspective of corporate governance deals with the ways used by providers of funds for the company to secure themselves and confirm they have against the return of their investments.⁽¹⁷⁾

And from the broad perspective seen governance as a system of rules and factors that control the operations of the company, including the company's relationship stakeholder society and the laws and regulations and listing rules and practices of the private sector, voluntary enables the company to attract capital and to achieve the company's goals and efficiently meet both legal obligations and expectations of society in general.⁽¹⁸⁾

And some believe that good corporate governance is working to improve performance through increased efficiency, good asset management, and clear policies, and good relations with stakeholders⁽¹⁹⁾.

8.2. The Concept of Universities Governance

The concept of governance of universities attended to grow recently due to the repeated calls and explicit to accelerate the reform of higher education, as a result of some aspects of the imbalance in the educational outcomes of graduates, as well as the methods and procedures used in the processes of education in most countries of the world. Such calls came by higher bodies such as the World Bank, and the Organization for economic Cooperation and Development, UNESCO and others, As well as the departments of the universities and those who made it sensed the gravity of this situation and they call to hold meetings and local and international conferences, hoping to discuss this problem and work to find appropriate solutions.

The concept of governance of universities is relatively recent concept developed by Clark as a global classification method, and how do these universities can achieve their goals and activation its achievements.⁽²⁰⁾

The mere appearance of the concept of governance of of universities means that there is a crisis and a real problem plaguing the universities and the higher education sector in general. Crisis produced because of that executive power is, which holds the appointment of university administrations without regard to faculty, students and staff in the academic field, which affects the development of the university and limits of their capabilities and aspirations. Considering that decisions are formulated in one direction and miss her element involved in the formulation of plans and curriculum and are affecting the democratic values of.⁽²¹⁾

8.3. Business Ethics and social responsibility:

A social and ethical responsibility towards the community one of the main demands of any society to any business organization at the present time, and she has become a new kind of challenges that receive more of the burden on the director of an organization and then became one of the components and the function of this manager.⁽²²⁾

Ethics Consider as a system of noble social values that must be adhered to, since it distinguish between what is right and what is wrong, and between right and wrong, between what is legal and illegal, like the rest of other values such as truth, beauty, and the Secretariat and the right, They control the behavior of business organizations towards the clients and all related parties, The Business Ethics and moral obligations is a bi-directional, the first represents management's commitment to ethical workers, such as the application of the values of justice, equality, integrity, respect for others, transparency, responsibility, love others, etc. The second trend is the commitment of employees moral commitment to the organization, such as the values of dedication to work, not to cheat, dedication to work, preferring the public interest to personal interest, loyalty, maintaining public property, not to disclose the secrets of work, commitment of the times during working hours, good use The organization's resources, the non-use organization tools for personal purposes etc...

Organizations can work to frame these values through the adoption of codes of work, and codes of ethics, or a declaration of principles regulating the relationship with counterparties of all, such as administration, employees, customers, suppliers, suppliers, the government, competitors, and all those involved.

Some argue that there is a close relationship between the culture of the organization and ethical commitment so the Cultural values can encourage ethical behavior; these ethical values are considered part of the official and unofficial policies for Culture in business organizations. ⁽²³⁾

8.4. The Governance Theories

Some believe that the governance is governed by some theories as follows: ⁽²⁴⁾

8.4.1. Argumentative Theory: This theory focuses on fundamental issues, and important operational governed by conditions.

8.4.2. Cultural Theory: This theory is concerned with behavioral changes for customers with related parties of the organization.

8.4.3. Democratic and Legal Theory: This theory focuses on participation, and the activation of good citizenship and work to solve the problems of the organization.

8.4.4. Gender Theory in Political science: This theory believes that there is the influence of the human race on the structure of the organization and drawing policies.

8.4.5. Network Theories: Considers the necessity of overlap and intermingle concerns and private and public interests, and their role in policy-making, and how to bring all those involved in the same contacts unified system

8.4.6. Political Economy: Interested in policies that are difficult to defend it, and that cannot be tolerated and that from the economic point of view.

8.4.7. Theories of system transition and transformation: This theory concerned with transformation and the transition from system to the other, such as the transformation of authoritarian regime to a democratic system and vice versa, and keep pace with the difficulties of governance.

9. Data Analysis

9.1. Overview: it was distributed total of (250) questionnaires to the sample of the study at rate (50) questionnaire to each university; the distributed was to the shareholders and stakeholders of the staff and faculty members. Researcher believes that the distribution of the number of respondents on questionnaires be useful in collecting information desired, the researcher was didn't want to increase the number more than that in order to preserve the values of the information obtained. It had been recovered (220) questionnaire by retrieving high amounted to (88%). Were excluded (10) questionnaires from the analysis because of the deficiencies and the lack of clarity, and remained (210) questionnaires have been studied by (84%) of the total distributed questionnaires which is acceptable for the purposes of data analysis.

9.2. Data Collected Analysis:

9.2.1. The first section of Data analysis. Table(1) below shows that:

Table (1)

Extent of the application the concepts of governance in reality

S.R	paragraphs	Very high (5)		High (4)		Medium (3)		Small (2)		Very Small (1)	
		No.	%	No.	%	No.	%	No.	%	No.	%
1	Participation in decision-making by the shareholders and management	40	19	20	10	108	51	22	10	20	10
2	Preserving the rights of small shareholders	5	2	26	12	110	52	44	21	25	12
3	existence of good relations and transparent with government departments	6	3	82	39	102	49	10	20	10	5
4	Reduce the cost of capital	42	20	85	40	46	22	30	14	8	4
5	Commitment legislation and government regulations in general	30	14	133	63	26	12	21	10	10	5
6	Comply with the instructions of Higher Education	50	24	82	39	45	21	28	13	5	2
7	Compliance with policies of tax	42	20	102	49	60	29	4	2	2	1
8	Assist in solving the problems of the local community	24	11	45	22	105	50	28	13	8	4
9	Reducing Factor nepotism and the cronyism between management and employees	18	9	45	21	106	50	27	13	14	7
10	The values of integrity and justice			6	3	200	95	3	1	1	0.05
11	The values of accountability and transparency	3	1	44	22	121	58	32	15	10	5
12	Selection of the Board of Trustees in an neutral impartial manner			42	20	124	59	44	21		

It can be note through the numbers in Table (1) above, the application of these concepts relating to governance was uneven, paragraph (5) relating commitment legislation and government regulations replaced first place and the total bulleted reached (812) out of 1050 points, which is the outcome of the total sample (210) * (5) the highest value, Depending on the Likert scale Pentagram, paragraph (7) came on second in the total points (808), paragraph (6) concerning the extent to ensure compliance with the Higher Education Came rank third with a total (774 points). paragraphs numbers (2,11,12), which concerned with the preservation of the rights of small shareholders, and the values of accountability and transparency, and choosing the Board of Trustees in a neutral manner in the last rank with low totals. Table (2) shows the aggregates and ranks these paragraphs:

Table (2)

Sum of the values and arrange of paragraphs for the first section

S.R	Paragraphs	Total	Arrange
1	Participation in decision-making by the shareholders and management	668*	7
2	Preserving the rights of small shareholders	572	12
3	existence of good relations and transparent with government departments	694	5
4	Reduce the cost of capital	756	4
5	Commitment legislation and government regulations in general	812	1
6	Comply with the instructions of Higher Education	774	3
7	Compliance with policies of tax	808	2
8	Assist in solving the problems of the local community	679	5
9	Reducing Factor nepotism and the cronyism between management and employees	665	8
10	The values of integrity and justice	631	9
11	The values of accountability and transparency	628	10
12	Selection of the Board of Trustees in a neutral impartial manner.	628	10

*668 = 1*20+2*22+3*108+4*20+5*40

9.2.2. Analysis The Second Data Section

The Paragraphs for this section relating to some of the obstacles that may stand in the way of governance. Table (3) below shows that:

Table (3)

The obstacles that may stand in the way of apply governance.

S.R	paragraphs	Very high (5)		High (4)		Medium (3)		Small (2)		Very Small (1)	
		No.	%	No.	%	No.	%	No.	%	No.	%
1	The traditions and the frameworks ensure the to guarantee the rights of shareholders	45	21	42	20	123	62				
2	The commitment of senior shareholders by rules and regulations	14	7	86	41	105	50	5	05		
3	Understanding of the Board of Trustees for his role and carrying out its duties	20	1	42	2	130	62	18	9		
4	The weakness of stock markets			64	30	128	61	18	9		
5	Nature of the relationship between management and the Board of Trustees	33	16	57	27	100	48	20	2		
6	Nature of the relationship between owners and management	21	2	62	30	117	56	10	5		

The table (3) above indicate that the first paragraph, which indicate the traditions and the frameworks ensure to guarantee the rights of shareholders is one of the most important obstacles to governance in the event of a breach by the lack of application, came the fifth paragraph, which is that the nature of the relationship between management and the Board of Trustees may also constitute an obstacle in second place. While the rest of the paragraphs came on similar effect in the event of breaches of these concepts. Table (4) below shows the totals for these paragraphs and arranges:

Table (4)
Sum of the values and arrange of paragraphs for the Second section

S.R	Paragraphs	Total	Arrange
1	The traditions and the frameworks ensure the to guarantee the rights of shareholders	762	1
2	The commitment of senior shareholders by rules and regulations	739	2
3	Understanding of the Board of Trustees for his role and carrying out its duties	696	5
4	The weakness of stock markets	676	6
5	Nature of the relationship between management and the Board of Trustees	733	3
6	Nature of the relationship between owners and management	724	4

The numbers in the previous table (No.3) that shareholders constitute is red lines should not be manipulated, so as stated in the first paragraph and the second, while the fourth paragraph, which relate to the weakness of the stock in the last place of importance.

9.2.3. Analysis The Third Data Section

This section consists of thirty-paragraph dealing with four main issues: the rights of shareholders rights of stakeholders, disclosure and transparency, and social responsibility. Table (5) shows the Averages and standard deviations and ranks of these paragraphs.

Table (5)
The Averages and standard deviations and ranks of the Third Section

S.R	Paragraph	Average	St.D	Rank
*	Shareholders' equity			
1	Review the Financial Statements	3.20	1.20	13
2	Auditing	3.10	1.11	15
3	Make inquiries on the Board of Trustees in the important topics	3.92	0.99	4
4	The method of selecting the Board of Trustees	3.00	1.14	20
5	Equal treatment for all shareholders	3.05	1.33	16
6	Call for the General Assembly meeting	4.12	0.92	2
7	Equality among shareholders	2.75	1.99	24
	Total	3.30	0.96	
*	The rights of stakeholders			
8	Participate in making the decisions taken by the university	2.65	1.50	27
9	Information sharing	2.75	1.06	24
10	Control procedures	4.14	0.98	1
11	The method of selecting leaders at the university	2.67	1.82	26
12	The role of students in the academic leaders elected	2.50	1.01	28
13	The role of faculty members in important decisions	2.30	1.45	30
14	The upgrading System for faculty members	3.22	0.91	6
15	Student represent on the boards of the University	3.14	1.33	11
16	Equity in faculty salaries	3.10	0.98	10
17	Criteria for evaluating students for faculty members	3.01	1.13	19
	Total	2.94	1.22	
*	Disclosure and transparency			
18	Financial Information	3.00	0.87	20
19	Information about Performance	3.03	0.99	18
20	Information about future goals	4.03	0.87	3
21	Information about the potential risks	3.12	0.99	14
22	Dividend policies	3.04	1.05	17
23	Information about the property	2.88	1.08	22
	Total	3.17	0.97	
*	Social responsibility			
24	Protection of minority shareholders	2.78	1.06	23
25	Guidance services to educate the local community	3.62	0.84	8
26	Contribute to the protection of the environment	3.22	0.89	12
27	Contribute to the alleviation of the unemployment problem in the local community	3.85	0.97	5
28	Seminars and working days Free invited it the elements of the local community	3.50	1.01	10
29	Community participation in the internal activities of the University	3.75	0.92	7
30	Provide assistance to the needy poor students	3.60	0.95	9
	Total	3.47	0.94	

Its notes through the analysis of the paragraphs of shareholders' equity as stated in the table (5) above that the sixth paragraph relating to the invitation to the General Assembly meeting was the most acceptable mean was (4.12), and the standard deviation was (0.92) came later the third paragraph relating to satisfied with make inquiries at Board of Trustees to important issues came Secondly with a mean (3.92) and standard deviation (0.99), but the fourth paragraph, and which measures satisfaction with the method of selecting the Board of Trustees did not have a high degree of satisfaction with the evidence The mean (3.00) and standard deviation (1.14).

The arithmetic means of all the Shareholders equity paragraphs where a positive (3.30) the standard deviation (0.96), and when analyzing the stakeholders paragraphs show that the control procedures came on first rank with a mean total (4.14) the standard deviation (0.98), The paragraphs numbers (8,9,11,12,13) respectively relating to participate in decision-making, information sharing, The method of selecting university leaders, and the role of students in academic leadership election, and the role of faculty members in important decisions did not have a high degree complacent with evidence of low computational their means for the default mean.

The arithmetic mean of all the paragraphs of the rights of stakeholders is below the average where it reached (2.94) the standard deviation (1.22). When analyzing the paragraphs of disclosure and transparency found that paragraph (20) which relates to a degree of satisfaction with the future goals came on first rank with a mean (4.03) the standard deviation (0.87). But the paragraph number (23) that related to information about the property did not have a high degree of satisfaction evidenced by the low the arithmetic mean (2.88) and standard deviation (1.08), In general, the arithmetic mean of all the paragraphs of disclosure and transparency was positive reaching to (3.17) and standard deviation (0.97) and when the analysis of the paragraphs of social responsibility was paragraph (27) and paragraph (29) respectively, relating to the extent to contribute to the alleviation of the unemployment problem in the community , and community participation in the internal activities of the University, were the most widely accepted evidenced by high means where (3.85) and (3.75) and standard deviations (0.97) and (0.92), paragraph number (24) related to provide protection for small shareholders were less palatable as it was the arithmetic mean (2.78) and standard deviation (0.84). Overall, the arithmetic mean of the total paragraphs of social responsibility was positive, amounting to (3.47) and standard deviation (0.94).

9.2.4. Data analysis for section Four

Respondents were asked to express an opinion on the best ways to improve the academic performance from the perspective the commitment to business ethics, organizational culture, and the good citizenship. Their answers have been focused on the following points:

- 9.2.4.1. Respect for the faculty member.
- 9.2.4.2. Make awards to outstanding in the performance.
- 9.2.4.3. Encourage faculty members to do research that related to the problems of society.
- 9.2.4.4. Respect the student and notifying him as an active member, and he is the future of this community and constantly stimulated him.
- 9.2.4.5. Appointment an academic according to the vision and needs of the departments concerned in order to know the people with competence and efficiency.
- 9.2.4.6. Keeping away for nepotism the cronyism.
- 9.2.4.7. Focusing on the collective decision.
- 9.2.4.8. Justice in the salary scale.
- 9.2.4.9. Focusing on the topic of belonging to the institution, and a focus on the national and historical.
- 9.2.4.10. Make way for faculty members to make decisions.
- 9.2.4.11. Student participation in solving some of the problems.
- 9.2.4.12. Clarify the relationship and responsibility between the university management and the owners of capital, and ensure that no overlap or duplication decision.

9.3. Test Hypotheses

9.3.1. **The 1st Sub-Hypothesis:** There is no positive degree of satisfaction with regard to the rights of shareholders in private universities in Jordan.

Table (6)
The results of the regression analysis to ascertain the validity of the model in the test the first Sub-hypothesis

Resource	C. Squares	D.F	Average Squares	F. Value Calculated	Sig
regression	15.323	1	15.323	30.421	0.000
Residual	51.745	208	0.421		
Total		209			

Its notes through the numbers in the table (6) above that the model is fit to test the first sub-hypothesis of the high F value calculated for Tabulated value at the level of significance (0.000) and the degrees of freedom (208,1) . Noted from Table (7) that the independent variables to shareholders explain amounted to 45.8 of the

variance in the dependent variable, and this indicates that these elements are all important and relevant and it have impact in achieving the worker full satisfaction about the concept of governance . evident from table (8) that the variables of the rights of shareholders were statistically significant important, as evidenced by the high value of T calculated for seriously and Mechanism at the level of significance (0.000) and the value of T for variables shareholders' equity (6,852) and enhances the value of the Beta coefficient of (0.589). And the same table indicates that the variables Equity carry a positive trend towards achieving worker satisfaction, which means impact on the dependent variable at the level of significance of (0.000) and degrees of freedom of 208. And high arithmetic mean for the default mean where the (3.30) and standard deviation (0.96), as shown in table (5) and this devoted positive approach as well. This result requires the rejection of the null hypothesis, which states that there is no positive degree of satisfaction with regard to the rights of **shareholders** in private universities in Jordan, and must **accept** the alternative hypothesis which states that there is a degree of positive satisfaction with regard to the rights of shareholders.

Table (7)

The results of the analysis of explanatory power and Correlation and the standard error

Correlation	R ²	R2 Adjusted	standard error
0.683	0.466	0.458	0.542

Table (8)

The results of multiple regression analysis to test the independent variables (Equity)

Variable	Value T	Beta	St. Error	B	Sig
Equity	6.852	0.589	0.114	0.548	0.000

9.3.2. The 2nd Sub-Hypothesis There is no positive degree of satisfaction with regard to the rights of **stakeholders** in private universities of Jordan.

Table (9)

The results of the analysis of explanatory power and Correlation and the standard error

Correlation	R ²	R2 Adjusted	standard error
0.228	0.051	0.032	0.968

Table (10)

The results of multiple regression analysis to test the independent variables (stakeholders)

Variable	Value T	Beta	St. Error	B	Sig
Stakeholders	0.981	1.041	0.114	1.103	0.000

Its notes from Table (9) above that the independent variables the right of stakeholders explain amounted to 0.051 of the variance in the dependent variable , and this shows that the elements of this hypothesis together is unimportant , and did not have a big impact on the satisfaction of the concept of governance , it's clear from the table (10) that the variables right of stakeholders were not a statistically significant , as evidenced by the low value of T variables rights stakeholders, and the value of Beta (1.041) indicates in the same table that the variables stakeholders bear trend negatively towards worker satisfaction. The low arithmetic mean of the paragraphs of this hypothesis for default mean where (2.94) and standard deviation (1.22) as stated in the table (5). This result requires accept the null hypothesis, which means that there is no positive degree of satisfaction with regard to the rights of **stakeholders** in private universities of Jordan.

9.3.3. The 3rd Sub-Hypothesis There is no positive degree of satisfaction with regard to the level of **disclosure** and **transparency** in private universities in Jordan.

Its note from Table (12) that the independent variables of the Disclosure and Transparency explain an amount (0.34) of the variance in the dependent variable, and this indicates that these combined elements significant and have an impact on the satisfaction of the concept of governance, shown in Table No. (13) that the variables of disclosure and transparency have statistically significant evidence the high value of T calculated for seriously and Mechanism at the level of significance (0.000) as the value of T for the variables of disclosure and transparency (6,394) and the value of Beta (0.541) indicates the same table that the variables of disclosure and transparency bearing a positive trend towards achieving worker satisfaction , and the high means more than

default mean reaching to (3.17) and the standard deviation of (0.97) as indicated by the table (5) and this result requires rejection of the null hypothesis notion that there is no degree of positive satisfaction with the level of disclosure and transparency, and must **accept** the alternative hypothesis, which means the presence positive degree of satisfaction with regard to the level of **disclosure** and **transparency** in private universities in Jordan.

Table (11)

The results of the regression analysis to ascertain the validity of the model in the test the third Sub-hypothesis

Resource	C. Squares	D.F	Average Squares	F. Value Calculated	Sig
regression	16.725	1	16.725	31.715	0.000
Residual	52.154	208	47.846		
Total		209			

Table (12)

The results of the analysis of explanatory power and Correlation and the standard error

Correlation	R ²	R2 Adjusted	standard error
0.592	0.350	0.342	0.658

Table (13)

The results of multiple regression analysis to test the independent variables (disclosure and transparency)

Variable	Value T	Beta	St. Error	B	Sig
disclosure and transparency	6.394	0.541	0.109	0.528	0.000

9.3.4. The 4th Sub-Hypothesis There is no positive degree of satisfaction with regard to **social responsibility** undertaken by the private Jordanian universities toward her local community.

This hypothesis is very similar to what came in the first hypothesis, and the third in terms of the variables carry positive trends of satisfaction with social responsibility undertaken by the private universities of Jordan about her community. The variables independent as shown in Table (14) explain the amount of (0.46) of the dependent variable, and indicates that these combined elements are important and have an impact in the formation of satisfaction of the concept of governance, and it's clear from the table (15) the variables of social responsibility have a statistically significant, as evidenced by the high value of T calculated for at the level of significance (0.000) where the value of T variables social responsibility (6.993) also indicates in the same table that the variables of social responsibility carry positive attitudes towards worker satisfaction, and enhances the value of the coefficient Beta of (0.541) as shown in Table (5) high mean reaching to (3.47) and standard deviation (0.94). This result requires to the rejection of the null, and must **accept** the alternative hypothesis that there were positive degrees of satisfaction with regard to **social responsibility** undertaken by the private Jordanian universities toward her local community.

Table (14)

The results of the analysis of explanatory power and Correlation and the standard error

Correlation	R ²	R2 Adjusted	standard error
0.698	0.487	0.462	0.338

Table (15)

The results of multiple regression analysis to test the independent variables (social responsibility)

Variable	Value T	Beta	St. Error	B	Sig
social responsibility	6.993	0.541	0.135	0.504	0.000

10. The Results & Recommendations

10.1. Results: After the process of analyzing the data obtained from the study sample in the Jordanian private universities, the study found a range of results was notably:

10.1.1. There is a degree of satisfaction with the positive average for the application of the concepts of governance in general, appeared through the mathematical means to the main four paragraphs: the rights of shareholders, stakeholders, disclosure and transparency, and social responsibility, reached to (3.06). This result is consistent with the findings of both studies Hussein and Omar and Haboush, and some extent to the study of the Halawa & Taha in terms of commitment to the principles of corporate governance in averages.

10.1.2. The existence of a positive degree of satisfaction with regard to the rights of shareholders in general, demonstrated by the high arithmetic mean which reaching to (3.30).

10.1.3. The existence of a positive degree of satisfaction with the level of disclosure and transparency, demonstrated by the arithmetic mean up to (3.17). This result is inconsistent with the findings of the study Dahawy which did not show positive results on it.

10.1.4. The application of governance lead to reduce the cost of capital evidenced that by it take this variable high rank in importance (4) and total bullet point reached (756) as shown in Table (2). This result is consistent with the result of the study of Ramadan, which showed a negative effect statistically significant of institutional governance in the cost of capital owned by industrial companies in Jordan.

10.1.5. The existence of a positive degree of satisfaction with the undertaken by of private universities of social responsibilities towards the community, which indicated the arithmetic mean of the paragraphs of the social responsibility to (3.47). This result is consistent with the visions that emerged from the study and Briqaan & Qurashi.

10.1.6. A low level of satisfaction with the method of dealing with stakeholders: Staff, students, and faculty members, as evidenced by the low arithmetic mean of the paragraphs where was (2.30). This result is consistent with the results of a study in this regard Taha & Halawa.

10.1.7. A low level of satisfaction with the method of selection of the Trustees Board of the university, which reflected negatively on the performance and carrying out their duties.

10.1.8. The existence the largely obligation of legislation and government regulations, tax policies, and comply with the instructions of higher education in general.

10.1.9. A low level of participation in the making - decisions taken by the university management, evidenced by the low to the arithmetic mean (2.65). This result agrees with the study of Halawa & Taha, which referred to the lack of participation in decision-making, and it is formulated nearest to the improvised.

10.1.10. Dissatisfaction with the method of selecting leaders in universities, it was the arithmetic means (2.67).

10.1.11. A low student's role in election academic leaders, the arithmetic mean reached to (2.50).

10.1.12. A low role of faculty members in making important decisions, the arithmetic mean it (2.30).

10.1.13. The low level of attention to small shareholders, as evidenced by the arithmetic means (2.78).

10.2. Recommendations

10.2.1. Working on the development the standards corporate governance, and promote its culture in the universities through the fixed rules and frameworks abide by all interested parties and stakeholders.

10.2.2. Working to build a culture of justice and equality for all, without exception, especially in the salary scale, promotions and scholarships, to consecrate the concept of loyalty and belonging.

10.2.3. Development the values of accountability and transparency among all, and the impartiality of nepotism and cronyism in order to ensure a high degree of clarity at work.

10.2.4. Make way for students and faculty members to choose leaderships in universities, and respect for their views and take their proposals to serve the public interest.

10.2.5. Involve faculty members in the important decisions being taken by the university management.

10.2.6. Paying attention to small shareholders and safeguard their rights.

10.2.7. Build a culture of good citizenship among all, and concentrate on the positives, and respect for others, and constructive criticism in order to ensure freedom of expression.

10.2.8. Encourage researchers to pay attention to the current issues of the community, and the work of field studies to contribute to a logical solutions to the outstanding issues

11. References

(1) <http://gate.ahram.org.eg>.

(2) www.jinan.edu.lb/conf/MGKE/1/277.pdf

(3) Hussein Yarqi, and Ali Omar, 2012 "framework of corporate governance in Algeria - the reality and prospects", Journal of Studies, No. 18 - A -, University Ammar Thalje – Al-aghout - Algeria. Pp. 7-23.

- (4) Haboush, Mohammad Jamal, 2007, "the commitment of the Palestinian public companies, corporate governance rules - an analytical study of the views of internal and external auditors and directors of public companies." Master unpublished memorandum, the Islamic University of Gaza, p: 3-162.
- (5) K.Dahawy, 2009 "Developing Nations and corporate governance": The story of Egypt's **International Financial Corporation (IFC)**, , pp 2- 16.
- (6) Beiner, S.and Drobetz, W.and. Schmind, M.M. and Zimmermann, H, 2006 "An Integrated Framework of Corporate Governance and Firm Valuation" 12(2): p-p: 249-283.
- (7) Ramadan, Ziyad 2013 "The impact of corporate governance on the cost of capital owned, knowledgeable applied to the Jordanian market," Arab Journal of Economics and Management, Association of Colleges of Business Administration and Economics and Political Science in Arab universities, the University of the Holy Spirit - Kaslik, Beirut, No. 7:00 p 194 - 205.
- (8) Halawa Jamal, and Taha Neda'a, 2012, "the reality of governance at the University of Jerusalem," Journal of the performance of Algerian institutions, Issue 2, pp. 37-55.
- (9) <http://moga.ahlamontada.net/t243-topic>
- (10) <http://www.huffingtonpost.com/news/huffpost-aspen-institute>.
- (11) www.jcdr.com/pdf/hawkamat_alsherkat.pdf
- (12) www.al-fanarmedia.org/ar/.../
- (13) <http://uqu.edu.sa/pager/ar/197813>
- (14) Alamgir, M. 2007." Corporate Governance: A Risk Perspective", paper presented to: **Corporate Governance and Reform: Paving the Way to Financial Stability and Development**, a conference organized by the Egyptian Banking Institute, Cairo, May 7 – 8.
- (15) Freeland, C. 2007." Basel Committee Guidance on Corporate Governance for Banks", paper presented to: **Corporate Governance and Reform: Paving the Way to Financial Stability and Development**, a conference organized by the Egyptian Banking Institute, Cairo, May 7 – 8.
- (16) National Bank of Egypt 2003 "style exercise powers of corporate governance: corporate governance." Economic Bulletin, Issue II, Volume 56.
- (17) Shleifer, Andrei and Vishny, Robert W., 1997," A Survey of Corporate Governance", **The Journal of Finance**. Vol. LII, No. 2
- (18) Gregory, Holly J. ET. Al, 2002, "Comparative Study of Corporate Governance" Codes Relevant To the European Union and Its Member States, EASD, European Association of Securities Dealers.
- (19) Qurashi, Abdullah Ali 2011 "governance mechanisms in banks and their role in improving the performance of the banking", Union of Arab Banks, Beirut.
- (20) World Bank Report 2012, p 12.
- (21) Ezzat, Ahmed 2009 "concept of governance of universities and their purpose and how to apply", Amman, Jordan.
- (22) Abu Kahf, Abdul Salam 2004 "Introduction to Business" University House, Alexandria, Arab Republic of Egypt.