

The impact of Social Responsibility on the Financial Performance for Jordanian Companies (Case Study – Service Sector)

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Abstract

This study aimed to assess the level of social responsibility in the service sector for the Jordanian companies by test several factors like: EPS, ROA, ROE, Div, NI, LEV, and Size (Z) & product age for the company (G) to determine the level of Social Responsibility. To achieve this study the researchers developed a list of indicators of social responsibility consisted of (25) items that applied to a sample of 58 Jordanian public shareholding service companies which a listed on the Amman Stock Exchange in 2012.

The results showed that the service companies shoulder their responsibilities social by level (33.5%), and the index of social responsibility towards to human resources is the most attention by the companies, while their responsibilities towards to the environment are considered weak when compare it with other social indicators.

And the results showed that the rate of return on equity is the most influential on social responsibility in service companies, and that there is a negative effect between the net operating profit and company's responsibility towards of society and the environment and the direction of the service, and positive effect of earnings per share and leverage on the direction of the social responsibility of human resources, and a negative effect on the size of the company's social responsibility towards of service.

Keywords: Social Responsibility, EPS, ROA, ROE, Leverage, Financial Performance, Service Sector.

1. Introduction

Since more than eight decades of the twentieth century there was not the term financial accounting for social responsibility as one of the terms used in accounting thought, until that reported in 1923 that the responsibility of any organization is primarily a social responsibility and that the survival of any organization and continuity requires it to abide by and fulfill its social responsibility when the performance of its various functions, And nations have been sentenced meaningful indication about the importance of the fulfillment by the business organization social responsibility. (Jerbou', 2007).

The enterprises in the private sector carry out responsibility towards to society and the environment is an option imperatively demanded by the evolution of modern civil life and the culture of the client who is looking for products that take into account the health aspects, As well as looking for party that provides services for the community to be his preferred choice to buy his goods consumables and so on.

This stature observing in developed countries during the past few decades. Perhaps this concept did not materialize much to the communities and the client in developing countries and more developed, including the Arab states, but only a matter of time. If we take into account the impact on the customs, traditions and beliefs, and also the impact on the environment and the health of the community, the social responsibility is tax damaging the life of society and the natural environment around them.

2. The Study Objective

The study aims to assess the impact of economic factors for the company on the social responsibility level for service companies listed on the ASE for the year 2012. Specifically, the objectives of this study were:

2.1. Identify the social responsibility level in the annual reports of Jordanian service companies listed on the ASE.

2.2. Identify the factors that affect on extent of social responsibility information found in corporate annual reports of the Jordanian service companies.

3. The Study Problem

The practice of corporate social responsibility subject of debate and widespread criticism, Proponents argue that there is a strong demand for the issue of corporate social responsibility, companies benefit in many ways by working with the community broadly and more for its impact directly on short-term profits, and critics argue that corporate social responsibility plays a role of basic economic for companies, while others felt that it is nothing

more than a superficial process to assemble the company's image, and others say it is an attempt to pre-empt the role of governments as a watchdog on the big multinational companies:

The problem of study can be formulated through the following questions:

3.1. What is the level of social responsibility for companies services listed in the Amman Financial Market?

3.2. Are there factors affects on the social responsibility for the Jordanian public shareholding companies that listed on the Amman Financial Market?

4. The Importance of Study

This study is important from the importance of the concept of social responsibility which is no longer evaluate service companies depends on their profitability only, and no longer rely on building its reputation on the financial positions only, but appeared modern concepts help create a work environment that is able to handle the rapid developments in the economic and technological aspects and management across the world, and was the most prominent social responsibility trend of society, the environment and human and other resources.

5. The study Hypotheses

5.1. The Main Hypotheses:

5.1.1. There is no social responsibility level found in the annual reports of service companies listed on the ASE.

5.1.2. There are no factors that affect on the social responsibility level found in the annual reports of service companies listed on the ASE.

5.2. The Sub Hypotheses:

5.2.1. There is no significant effect for the earning per share on the social responsibility level found in the annual reports of service companies listed on the ASE.

5.2.2. There is no significant effect for the return on equity and the social responsibility level found in the annual reports of service companies listed on the ASE.

5.2.3. There is no significant effect for the return on assets and the social responsibility level found in the annual reports of service companies listed on the ASE.

5.2.4. There is no significant effect for the dividend per share and the social responsibility level found in the annual reports of service companies listed on the ASE.

5.2.5. There is no significant effect for the net income and the social responsibility level found in the annual reports of service companies listed on the ASE.

5.2.6. There is no significant effect for the company's size and the social responsibility level found in the annual reports of service companies listed on the ASE.

5.2.7. There is no significant effect for the financial leverage and the social responsibility level found in the annual reports of service companies listed on the ASE.

5.2.8. There is no significant effect for the company's age and the social responsibility level found in the annual reports of service companies listed on the ASE.

6. Literature Review: There are many studies that have addressed the Social Responsibility, including:

6.1. Andersen Study (2011) aimed to assess the relationship between corporate social responsibility and management of the profits in the United States , for the purpose of obtaining data was selected sample of companies now have their data from (1995 to 2002) , was used indicators of corporate social responsibility by employing data relating to the following areas : community , diversity, and the product, and the relationship between employees and the environment of the company, and the results indicate that companies that possess a greater level of social responsibility record profits of high quality and are not concentrated mainly on the management operations profits and this significantly affects the quality of the Financial reports for the company.

6.2. Study Olowokudejo Folake, Aduloju SA (2011) aimed to reveal the relationship between corporate social responsibility and the dimensions of organizational effectiveness for insurance companies in Nigeria, has been designed questionnaire to achieve the objectives of the study were distributed to a sample of 10 insurance companies in Lagos, according to findings from the study that insurance companies in Nigeria are using four forms of corporate social responsibility (environmental issues, work ethic, business architecture, and the area of the consumer) and the field of consumer got the biggest interest of insurance companies were organizational effectiveness for insurance companies Nigerian participation in the study fairly good.

6.3. Study Dagilicnce and gokience (2011) aimed to verify the variables of corporate social responsibility and analyze reports of corporate social responsibility in Lithuania, and the study was conducted on companies

listed on the World Wide Web Lithuanian, data was collected from the reality of social responsibility reports for these companies, and showed the results of the analysis of social responsibility reports companies that content and the size and indicators disclosed in social reports completely different between the companies, and there are few companies that provides social reported to owners.

6.4. Study Rifai (2011) , which aimed to determine the level of disclosure of information of social responsibility in the annual reports of the sample consisted of (16) , a Jordanian bank listed on the Amman Stock Exchange , also aimed to know the effect of some of the factors (the size of the bank, the Bank's profitability , leverage of the bank , Omar Bank , focused ownership , the proportion of independent members of Board of Directors , the Audit Committee , the degree of separation between the presidency of the Board of Directors and served as general manager , the number of members of the Board of Directors) at the level of disclosure of information social responsibility , and to achieve the objectives of the study by the research design model of the questionnaire , the study concluded that the level of banks' disclosure of information relating to the local community well , while the level of disclosure of information relating to the environment is significantly low .

6.5. Study Diligence (2010) aimed to conduct a study to measure the level of disclosure of corporate social responsibility in the annual reports of companies Lithuanian After analyzing the social factors through literature previous study sample consisted of four companies specializing in the dairy industry, has been collecting data from the reality of the annual reports of these companies through period (2007-2008), the study found that the content of the disclosure in Lithuanian companies is very different even in the same sector.

6.6. Study Al-Lulu (2009) aimed to identify how to recognize public shareholding companies listed on the Palestine Securities Exchange of the concept of social responsibility , and stand on the interest of these companies to areas of social responsibility and disclosure , and to achieve the objectives of the study questionnaire was designed and distributed to the population of the study , consisting of companies Publicly-listed in the Palestine Securities and number (37) companies , as well as carry out a survey annual financial reports for the companies themselves to see how the disclosure of social responsibility , and the study showed that the management of the companies aware of the concept of social responsibility in the broad sense , Consumers enjoy priority then human resources , followed by the environment Finally, the local community , also found that the application of accounting for social responsibility requires management to grasp the concept of accounting for social responsibility.

6.7. Study Jerboa (2007) aimed to define the concept of accounting for social responsibility and study methods of measuring the cost and social return , also aimed to propose a model to account for the social responsibility of these companies agree concepts and variables with the conditions and the composition of the social structure and economic development of the developing world and the Arab world , including Palestine , and in order to achieve the goals of the study was designed questionnaire has been prepared for this purpose has been distributed to (70) of CFOs and accountants , and the results showed that accounting for social responsibility has not been given sufficient attention by the professional association of accounting , and accounting for the social responsibility of these companies is Activity can be codified by selecting categories and fields , objectives and variables can be determined by following the ways of measuring and disclose announces of results objectively.

6.8. study Rahahleh and Sharairi (2008) aimed to determine the extent of the realization of corporate governance to the concept of accountability for corporate social responsibility , also aimed to determine the extent of the application of accounting for social responsibility by companies in Al Hassan Industrial Estate in Jordan , and to achieve the objectives of the study questionnaire was designed and distributed to CFOs and accountants in companies, the study found a lack of adequate recognition of the concept of accountability for social responsibility by companies , as companies are applying the areas of accounting social responsibility in a limited way , so that limited their contributions to the community in the following forms : social care workers , and natural resources and environmental protection , as concluded that the absence of legislation is one of the reasons for the weakness of the application the accounting social responsibility.

6.9. Study Mahoney, ET. al (2008) aimed to reveal the relationship between the responsibility of the social company's financial performance in companies that outlines the profit of the United States of America , was to get the data from the reality of the financial reports of companies sample of (44) company , where he analyzed data from the companies two years ago and after two years of re- correct their profits in its financial statements ,

and the results indicate the existence of a correlation between social performance of the company and the financial performance, and the presence of positive significant correlation coefficient between the rate of return on assets and strengths in the performance of social responsibility and was this relationship more powerful in companies that re-patch profits compare them with companies that do not re-patch profits.

6.10. Study Suwaidan, et. al. (2004) aimed to evaluate the disclosure of social responsibility in the annual reports on social responsibility has been the use of index disclosure contains 37 items, and get information from the reality of annual reports (65) Industrial Co., a Jordanian, and the study found that the disclosure of the companies had an average equal to 13% and there are (3) companies only had to say about social responsibility have more than 30%. The study revealed the existence of a good level of disclosure of information of human resources, and the community, and the level of disclosure of information relating to the environment, goods and services to consumers was weak, and there is a positive relationship statistically significant between firm size and profitability and risk with the disclosure of information of social responsibility. She explained that the size of the company was a contributing factor in the difference in the extent of disclosure of information relating to human resources and community involvement, the environment, and the goods and services to customers.

7. Methodology

7.1. Population and sample of the study

The study population consists of all Jordanian Services Companies listed on the Amman Stock Exchange (ASE) for fiscal year 2012, shares of (86) Company (Jordan Securities Commission, 2012). These procedures produced a sample of (58) Services companies that represent approximately 67% of the total Services companies listed on the ASE. Information about these companies was collected from the companies' annual reports for the year 2012 and from the Jordanian Shareholding Companies Guide for the year 2013 issued by the Amman Stock Exchange. And that the following conditions are available:

7.1.1. End of its fiscal year on 31/12.

7.1.2. The annual financial report of the company available for the year 2012.

7.1.3. The shares to be traded on the ASE in 2012.

Table (1)
Distribution of the study sample

Sector	No. of companies
Health Care Services	4
Educational Services	6
Hotels and Tourism	12
Transportation	13
Technology and Communications	2
Media	2
Utilities and Energy	4
Commercial Services	15
Total	58

7.2. Study Model

Data were collected for this study from the sample (n=58) company of the reality of annual reports issued by service companies listed on the ASE for the year 2012, so as to detect the data variables of the study are as follows:

7.2.1. Get information on indicators of social responsibility in the field of service, and human resources (employees), customers, and the environment, and the community, has been gathering the strengths and weaknesses of the variables above, and social responsibility for each area by dividing the strengths of the total indicators field, if the result of the index of social responsibility of the company positively, we classify The company as a socially responsible company, and if the result of the index of social responsibility of the company zero, we classify the company as less social responsibility.

7.2.2. Collecting financial data from the reality of annual reports of companies study sample which relates earnings per share, return on equity, return on assets, dividends per share, net income, financial leverage of the company, total assets, in addition to the company's age represented the period from the established date until 2012, represented independent variables.

7.2.3. The following multiple regression model developed to test the research hypotheses:

$$LSR = \alpha + \beta_1 *EPS + \beta_2 *ROE + \beta_3 *ROA + \beta_4 *DPS + \beta_5 *NI + \beta_6 *Lev + \beta_7 *Z + \beta_8 *G + \bar{e}$$

Where:

- **LSR: Level of Social Responsibility**
- **β_i : the regression coefficients, $i = 1, \dots, 8$**
- **EPS: Earning Per Share**
- **ROE: Return on Equity**
- **ROA: Return on Assets**
- **DPS: Dividend Per Share**
- **NI: Net income**
- **Lev: Financial leverage**
- **Z: Company's size represented by total assets.**
- **G: company's age**
- **\bar{e} : Random Error**

7.3. Empirical results

This section presents study's results on Social Responsibility level of public shareholding service companies listed on the ASE in 2012, also deals with exploring the statistical significance relationship between the Social Responsibility level and a range of independent variables by analyzing the effect of independent variables over a Social Responsibility level, also presents the correlation coefficients between the independent variables and results of the descriptive analysis of variables.

7.3.1. Social Responsibility level

7.3.1.1. Disaggregated level: As discussed earlier in the paper, the social responsibility disclosure index encompasses 25 items, which were classified into five types of information (Population, environmental, customers, human resources, Service). An attempt is made here to investigate the extent of disclosure of each type of social responsibility information. To achieve this, an index or score was calculated for every company for each type of information by the ratio of the actual number of items disclosed by the company to the number of items included in each type of information. Table (2) provides the results of the companies' scores for each type of information. A further discussion of each type follows:

Table (2)
Companies' Social Responsibility scores for each type of information

Type of information	Mean %	Std. Deviation%	Min. %	Max. %
Population	32.1	0.267	0.00	0.800
environmental	12.1	0.171	0.00	0.600
customers	37.9	0.211	0.200	0.800
human resources	63.1	0.162	0.00	0.200
Service	35.2	0.188	0.00	0.600
Total	33.5	0.112	0.148	0.600

Note:

- From the table above (No 2) we can see that the more aspects of corporate social responsibility was trend of human resources level 63.1% with a standard deviation low of 16.2%, while the lower aspects of social responsibility was the direction of the environment was a low level of 12.1% and the standard deviation was 17.1%.
- As seen from the table, the lowest and highest scores are 14.8% and 60%, a range of 60%. On an average, a Companies' Social Responsibility 33.5% of the items included in the index.

7.3.1.2. Aggregated level: To evaluate social responsibility information for services companies listed on the ASE, the disclosure index discussed earlier in the paper was applied to the annual reports of the (58) companies constituting the sample. For that purpose, a scoring sheet included the (25) items of social responsibility information comprising the index were applied to each company's annual report. Table (3) presents the

frequency distribution of the disclosure scores between the companies. As seen from the table, only (8) out of the (65) companies received social responsibility less than (10%), and (12) out of the (65) companies received social responsibility (40%) or more. Therefore, these results suggest that there is a great deal of variation in the level of social responsibility disclosure between the companies.

Table (3)
Frequency distribution of Social Responsibility Level between companies

Social Responsibility Level %	No. of companies	Present %
Less than 10	8	13.79
10-20	14	24.14
20-30	15	25.86
30-40	9	15.52
Greater than 40	12	20.69
Total	58	100

7.3.2. Testing research hypotheses

7.3.2.1. Descriptive statistics: Table (4) presents the descriptive analysis results of the study sample variables, using the methods of statistical analysis that represented by mean, standard deviation, and the maximum value, minimum value, for the entire study sample represented by (58) companies listed on the ASE in 2012.

Table (4)
Descriptive statistics

Variables	Mean	Std. Deviation	Minimum	Maximum
SR	0.334	0.112	0.148	0.600
EPS	-0.041	0.131	-0.64	0.25
ROE	6.488	16.018	-81.53	16.56
ROA	2.571	7.330	-33.67	9.20
DPS	0.010	0.030	0.00	0.15
NI	-1,110,773.00	4,197,361.581	-28,719,705	3,507,053
Lev	22.866	22.015	0.28	94.31
Z (log)	7.196	0.561	5.771	8.248
G	25.810	16.034	4	72

Notes from the table:

- The arithmetic average of total assets (7.196), the standard deviation (0.561) which indicates a disparity in the sizes of services companies. While the arithmetic mean of the age of companies study sample was (25) years which means that companies have been established since a long time and keep up with developments in the Jordanian economy, and it was established before the global financial crisis and continued later, which means that companies are unable to face the economic challenges and the latest company has been established 4 years old.

- The financial performance of the companies has achieved for an average (6.488%) return on equity and (2.571%), return on assets, which means that companies are able to continue in the future and maintain the prices of their shares in the financial market; While the Shares of companies make a profit with an average (-0.041), and the standard deviation (0.131), which means that earnings per share for companies have been varying, ranging from (-0.64 to 0.25).

- As for the Debt Ratio, results indicated that services companies rely on financing assets through external financing average (22.86%), which indicates that companies do not want to increase the number of shareholders with a standard deviation (22.01%) and ranged Debt Ratio between(0.28%-94.31%).

7.3.2.2. Correlation matrix Before conducting the analysis, the regression model was checked for the presence of multi-co linearity problem between the independent variables. This occurs when two or more independent variables are highly correlated which makes it difficult to determine the individual contribution of each variable to the prediction of the dependent variable (Barrow, 1988). (Kennedy, 1985). (Anderson et al. 1993) consider an absolute correlation coefficient high if it exceeds (70%) for any two of the independent variables. To assess the extent of this problem with respect to the current regression model, a correlation matrix incorporating all the independent variables was run (see Table 5). As seen from the table, the correlation coefficient between each

pair of the independent variables is not high, suggesting that the results of the regression model are not affected by multi-co linearity.

Table (5)
Correlation matrix

Variables	EPS	ROE	ROA	DPS	NI	Lev	TA
EPS	1.000						
ROE	0.551(**)	1.000					
ROA	0.450(**)	0.679(**)	1.000				
DPS	0.285(*)	0.235	0.253	1.000			
NI	0.378(**)	0.400(**)	0.512(**)	0.186	1.000		
Lev	-0.309(*)	-0.425(**)	-0.158	0.033	-0.322(*)	1.000	
Z	-0.052	-0.030	0.092	0.112	-0.234	0.401(**)	1.000
G	0.062	0.116	0.126	0.126	-0.010	-0.095	-0.033

**Correlation is significant at the 0.01 level (2-tailed).

*Correlation is significant at the 0.05 level (2-tailed).

7.3.2.3. Multi Co linearity Test: General Linear Model (GLM) based mainly on the independence assumption of each independent variables and because this condition is not achieved, the general linear model is not fit for the application and cannot be considered good for the process of estimating the parameters (Sifo & Meshaal, 2003), (Shwiyat, 2013) in order to achieve this we use Co linearity Diagnostics scale, this test is a measure of impact on the link between the independent variables, and (Gujarati, 2003) found that to get the value (VIF) is higher than (10) which refers to a problem with Multi-co linearity independent concerned variable.

Table (6)
Multicollinearity Test

Variables	Multicollinearity Test	
	Tolerance	VIF
EPS	0.272	3.916
ROE	0.251	3.979
ROA	0.247	4.045
DPS	0.864	1.157
NI	0.288	3.471
Lev	0.426	2.345
TA	0.617	1.621
Age	0.895	1.117

The table(6) shows that the value of coefficient (VIF) for all independent variables are less than (10), which enhances the results of Pearson correlation matrix, which showed the existence of links is very weak among the independent variables, so it does not consider the problem of overlapping linear influential on the health model study.

7.3.2.4. Autocorrelation Test: The problem of autocorrelation shows in the form if views are interrelated, and this will affect the validity of used model, as it produces no real effect of the independent variables on the dependent variable significantly as a result of that link, and to verify the non-existence of this problem in the form, , was used Durbin Watson Test (D-W), this test value between (0-4). (Bashir, 2003), (Shwiyat, 2013) revealed that the result is near (0) which indicates a strong positive correlation, the result is near (4) refers to a strong negative correlation, but the result is optimal ranging from (1.5 - 2.5), which refers to the lack of self-correlation between variables. The economists feel that their findings when the value of (D-W) close (2) where the problem of autocorrelation are weak (Sifo & Meshaal, 2003), results showed that the value of (D-W) calculated (2.099) and is in accordance with the prior decision rule to the test result calculated within appropriate term, which indicates there is no problem autocorrelation influential study on the right model.

7.3.3. Regression Results: Table (7) represents the results of regression the independent variables on each type of social responsibility using (SPSS) program, and keep the definition of variables as it is according to the methodology of the study. As seen, the five regression models are significant at the 1% level with an explanatory power ranges from 18.5% for the Population disclosure index to 35.5% for human resources disclosure index. As for the importance of the independent variables, the return on equity was found significant at least the 5% level

with positive coefficients in all the regression models followed by the net income was found significant at least the 1% level with negative coefficients with the Population, environment, and service information, also the having a significant negatively correlation to per share earnings, and positive financial leverage at the level (1%) in explaining variation with human resources.

Table (7)
The results of the regression models for each type of social responsibility information

Social Responsibility Type	B1 EPS	B2 ROE	B3 ROA	B4 DPS	B5 NI	B6 Lev	B7 Z	B8 G	F-value	Adj. R2
Population information	0.072 (-1.839)	0.026 (2.298)	0.755 (-0.314)	0.895 (0.133)	0.009 (-2.703)	0.308 (1.031)	0.098 (-1.687)	0.162 (-1.421)	4.389**	0.185
environmental information	0.215 (-1.257)	0.037 (1.875)	0.366 (-0.913)	0.460 (0.745)	0.016 (-2.506)	0.068 (1.866)	0.971 (0.037)	0.454 (-0.755)	6.143**	0.255
customers information	0.718 (0.366)	0.045 (0.057)	0.645 (0.466)	0.004 (-3.169)	0.934 (0.084)	0.729 (0.351)	0.411 (0.838)	0.014 (2.667)	3.001**	0.341
human resources information	0.001 (-3.713)	0.001 (3.517)	0.456 (-0.756)	0.225 (1.241)	0.293 (-1.072)	0.020 (2.472)	0.161 (-1.438)	0.172 (-1.399)	3.199**	0.355
Service information	0.269 (-1.120)	0.025 (2.334)	0.575 (-0.565)	0.617 (-0.504)	0.015 (-2.534)	0.319 (1.010)	0.012 (-2.646)	0.381 (-0.886)	7.042**	0.290

* Significant at the 5% level ** Significant at the 1% level t-values are in parentheses

In addition the variable of size of the company was found that there is a negative correlation at the level (1%) in explaining the variation in social responsibility towards the service, and the relationship of negative correlation also between the dividend per share and the social responsibility towards the customers at significant (1%), and age company explains the variation in the social responsibility towards customers in a positive way at the level (1%), and finally the return on assets does not explain the variance of social responsibility information.

8. Conclusion

8.1. Results: Our study aimed to assess the level of social responsibility in the service sector for the Jordanian companies by test several factors like: EPS, ROA, ROE, Div, NI, LEV, and Size (Z) & product age for the company (G) to determine the level of Social Responsibility. To achieve this study the researchers developed a list of indicators of social responsibility consisted of (30) items that applied to a sample of 58 Jordanian public shareholding service companies which a listed on the Amman Stock Exchange in 2012.

Based on the analysis results we can summarize the general results as follows:

8.1.1. Service companies have social responsibilities by level (33.5%), and the index of social responsibility trend of human resources is the most attention by the companies.

8.1.2. The responsibility in the service companies trend of environmental are considered weak compared with other indicators of social responsibility.

8.1.3. The return on equity (ROE) rate is the most influential in corporate social responsibility service by showing a positive relationship significant statistically with all the information Social Responsibility.

8.1.4. There is a negative effect and significant statistically between the net operating profit and between corporate responsibility trend of society and the environment and the service where was significant statistically at the level (5%).

8.1.5. There is no effect for the return on assets rate on indicators of services corporate social responsibility, while earnings per share positively affect the direction of the social responsibility of human resources.

8.1.6. Social responsibility affected by customer trends negatively by share dividend, and positively by the age of company.

8.1.7. Leverage affect positively on the corporate social responsibility towards human resources, while the size of the company affects negatively on the social responsibility of trend service.

8.2. Recommendations:

After we review our result we recommend many point may be benefit to the next researchers and other parties that will be interested in the subject of Social Responsibility:

- 8.2.1.** The Jordanian public shareholding companies have to be obliged to disclose their corporate social responsibility through the promulgation laws and regulations by the competent authorities.
- 8.2.2.** Give training courses for employees in accounting departments seeking to introduce them to the importance of social responsibility disclosure in the annual financial reports and annual reports not only of the financial statements.
- 8.2.3.** Work on activating the role of monitoring the corporate businesses through the issuance of bulletins and instructions necessary for the companies to disclose social responsibility.
- 8.2.4.** Work future studies include the study of other factors such as audit fees, and the size of the Audit Office, and the adoption of the external auditor on the internal audit system in the shareholding companies, with comparisons between the different sectors.

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10. Appendix A: The Social Responsibility Level of individual items

Social Responsibility Item	No. of companies disclosing the item	Social Responsibility Level
Population information		
Disaster and Crisis	22	0.379
Scholarships	21	0.362
Employment of minorities	2	0.034
Training of university students	35	0.603
Support social activities for the community	13	0.224
environmental information		
Research and development to avoid the causes of environmental pollution	14	0.241
Purchase of machinery and equipment that operate on the reduction of environmental pollution	12	0.207
Use of raw materials, eco-friendly	2	0.034
Waste disposal poses ensure the protection of the environment	4	0.069
	3	0.052
customers information		
Definition output and its components	58	1.000
Development of guidance regarding the use of security	26	0.448
Responding to consumer complaints and proposals	13	0.224
Develop a plan for the promotional product	13	0.224
The establishment of joint activities with consumers	0	0.000
human resources information		
Development of technical performance and administrative staff	51	0.879
The provision of housing for the company's employees	22	0.379
Health care delivery	56	0.966
The contribution of employees in the company's profits	2	0.034
Create boxes disability and death	52	0.897
Service information		
CS programs (to ensure the retail product)	32	0.552
The economic benefit of the product	4	0.069
The company's policy to control prices	21	0.362
Product Security	4	0.069
Research and development of the product	41	0.707

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