

The Importance of Implementing Social Responsibility Accounting (SRA) in Public Shareholding Companies in Jordan and Its Impact on Their Sustainability

Dr. Suleiman Abu sabha

Dr. Younis Shoubaki

Middle East University

P.O. Box 383, Amman 11831

Jordan

Abstract

This study aims to gauge the level of understanding that senior management, internal and external auditors have of the importance, requirements and constraints to the implementation of Social Responsibility Accounting (SRA) in Jordanian public shareholding corporations and its impact on their institutional continuity. In addition, to gauging their ability to identify laws, standards and legislation governing implementation mechanisms pertaining to SRA. The study arrived at several conclusions, most important of which is that Jordanian public shareholding corporations are concerned with providing social services, this reflects positively on their reputations, and institutional continuity. Furthermore, there are obstacles to the implementation of SRA, and Social Auditing at said corporations. There continues to be a lack of specific texts within Jordanian legislations that would require and regulate the implementation of SRA in Jordanian public shareholding corporations. To that end, the study makes several recommendations for the implementation of SRA at these corporations, even if it was to be on an experimental basis.

Keywords: Social Responsibility Accounting, Jordan, Jordanian public shareholding corporations, social auditing.

Introduction

Accounting is a science that uses measurements and quantities to provide specific quantifiable information about a company's financial status; it provides detailed accounting logs to enable managers to make responsible decisions that maximize profit and reduce waste and spending. In this modern age of globalization, major global business entities, worldwide and in the Arab world, have dedicated accounting units that submit financial reports and logs relevant to the social performance to various bodies and stakeholders. Stakeholders attempt to evaluate, through these reports and other financial and accounting data, institutional performance during a given time period, and whether this performance is balanced and inclusive of all stakeholders without neglecting any particular group. Social responsibility accounting first emerged in developed countries as a result of pressures exerted by environmental and human rights groups, and has been known by various terms such as; social and environmental accounting, corporate social reporting, corporate social responsibility reporting, non-financial reporting; however, it is more common to refer to it as Social Responsibility Accounting (SRA). It is defined as a branch of accounting that aims to define the results of an institution or organization and its financial position from a social perspective since companies are relevant and affect societies as a whole.

Focus of the study

The implementation of social responsibility accounting in Jordanian companies faces many hurdles and obstacles that prevent its real and effective implementation. These include but are not limited to the scarcity of technical know-how and expertise along with the absence of a social accounting system, also lack of awareness amongst auditors, and neglect by higher management, and lastly the absence of legislations and approved methodologies that would support the implementation of social auditing. As such the focus of this study can be represented by the following questions:

- Are public shareholding companies committed to implementing social responsibility accounting?
- Do Auditors have a good grasp and understanding of social responsibility accounting?

- Is the required technical expertise available?
- Are there enough legislative laws to implement social accounting?

Study objectives

Study aims to establish the following:

1. Gauge the level of understanding senior management, internal and external auditors have of the importance, requirements and constraints to the implementation of Social Responsibility Accounting (SRA) and its impact on their institutional continuity.
2. Explore the concept of social responsibility accounting in the Jordanian public sector
3. Identify standards, regulations and legislation that regulate the implementation mechanisms of social responsibility accounting in Jordanian public sector institution.
4. Identify obstacles to the implementation social responsibility accounting in the Jordanian public sector

Study Methodology

This study is based on the analytical descriptive method (by collecting and analyzing likert questionnaires), in addition to field studies where face to face interviews were conducted. Furthermore, we have reviewed previous relevant studies and then prepared the questionnaire. To further ensure the reliability of the study tool (questionnaire), it was presented to a group of experienced arbitrators who were asked to provide their opinions and feedback regarding the clarity of the questions submitted and the soundness of the language used, they were also asked to state if, in their best judgment, the questions posed were able to measure what was intended. After reviewing their proposals and feedback, the result was a 30 paragraph questionnaire. This in turn was given to 15 accountants that are representative of the study population but were not part of the study sample. Then Cronbach's alpha was used to measure the consistency of the questionnaire, where alpha was found to be %91.36 which is significantly higher than the minimum acceptable of 60%.

Research hypothesis

In order to answer the questions posed by this study, three null hypotheses were formulated to test - using Student's T test ($\alpha = 0.05$) - whether there was a statistical relationship between the aforementioned questions and the sustainability of Jordanian public shareholding companies.

H₁: That there is no statistically significant relationship between the availability of the expertise needed for the implementation of SRA and the sustainability of Jordanian shareholding companies.

H₂: That there is no statistically significant relationship between the level of awareness auditors and management have of SRA and the sustainability of Jordanian shareholding companies.

H₃: That there is no statistically significant relationship between the existence of legislation requiring the implementation of SRA and the sustainability of Jordanian shareholding companies.

Statistical treatment

The data obtained was analyzed using a computer program, Statistical Packages for Social Sciences (SPSS). Descriptive statistics were used to calculate the arithmetic mean and standard deviations and Student's T test was used to test the null hypotheses. Also, as mentioned previously Cronbach's Alpha coefficient was used to measure the consistency of the questionnaire.

Study limitations

The study has some limitations, in addition to the limitations posed by all likert questionnaire type studies, there was a reluctance by some participants to answer some of the questions or fill out surveys regarding topics and issues previously discussed during the personal interviews, in addition to the high cost of collecting data.

Previous studies:

1. *Alanee (2005)* study titled “The role of accounting data in measuring and evaluating the social performance of industrial enterprises”. This study aimed to shed light on the role of accounting data in measuring and evaluating the social performance levels of industrial vendors in Bahrain, and to examine the extent to which such companies are committed to fulfilling their social responsibility. The study has concluded that the cost of social performance has risen in modern times, and is given a high priority to tackle the damage done to the environment by industrial activities, which in turn will amplify social benefits and promote their financial position.
2. *Muljono (2008)* study titled “Social Audit and its Relevance to Audit the Social Performance of the Organization”. This study has focused on social auditing and its importance relative to a company’s social performance, on the grounds that social auditing is a process that enables a company to evaluate its social, economic, and environmental performance, in addition to establishing whether previously set objectives are being met. The study arrived at several findings and recommendations namely that social auditing had a positive influence on a company’s ability to meet its nonmonetary objectives through regular oversight of the performance and views of its various stakeholders.
3. *Becchetti (2007)* study titled “Corporate Social Responsibility and Shareholders Value: An Event Study Analysis“. After an increase in financial scandals and repetitive losses suffered by investors. This study attempted to compare affected companies listed in capital markets between the years 1995 – 2004, to those that had adopted a more comprehensive social responsibility approach. The study has concluded that there exists a direct relationship between a company’s higher absolute revenues and its adoption of social responsibility and vice versa.
4. *Zhang & Gao (2006)*: study titled “Stakeholder engagement, social auditing and corporate sustainability”. This study aimed to determine the extent of social auditing implementation as a tool to engage stakeholders in assessing a company’s performance. The study arrived at a number of results and recommendations, namely that social auditing has a positive effect on a company’s financial, economic and social performance because stakeholders played an important and effective role in improving performance.
5. *Barnea & Rubin (2005)*; study titled “Corporate social responsibility as a conflict between owners”. This study aimed to investigate the relationship between a company’s own assessment of social responsibility and its ownership and capital structure. The study involved 3000 major United States companies. Their results demonstrated a negative correlation between ownership and social responsibility of a company, as social responsibility is a point of contention between various owners.
6. *Zulkifi & Imran (2006)*; study titled “Realizing corporate social responsibility. A view of the accounting profession in Malaysia”. The study aimed to explore the level of awareness and knowledge accountants have of the social responsibilities of companies; the study sample included 14 professional accountants and obtained their views regarding the level of awareness and understanding of social responsibility. It reached several conclusions, namely that there exists an awareness and a general realization on the part of professional accountants of the contents, principles and primary functions of social responsibility, in addition to the positive trend towards affirming the social responsibility of corporations.

Social responsibility of companies

Since social responsibility is broader in scope than everyday procedural practices, therefore its implementation must be planned on a strategic level that takes into account the long-term relationship with all stakeholders throughout the entire company (Hashim 2004). As there are numerous definitions used by researchers in their private research to describe the social role of corporations, it may be useful to clarify that the concept of corporate social responsibility can only be understood and explained through the theory of “social contract” as proposed by (shocker & Sethi) which states “All social institutions including corporations practice their activities in a society by means of a social contract”, and whether this contract was implicit or explicit a company’s sustainability and continuity depends on delivering and meeting desirable social outputs, such as the dispersal of economic, political or social advantages to groups from which a company derives its resources and inner strength (Shashaa, 1991)

Many researchers have defined social responsibility as “every obligation a company has, as a result of a management decision, or by virtue of being part of a group, or due to government restrictions, that results in specific and measurable spending that is not directly or indirectly related to a company’s production or marketing activities, and regardless of whether that obligation was related to its workforce or its surrounding environment”(Alkateeb 2005).It was also defined as “all corporate activities undertaken in order to meet the social needs of the internal or external environment, and results in measurable expenditures and loss with no benefit to the company, and whether they were implemented voluntarily or involuntarily in order to comply with regulatory and legal provisions (khadr 2006).

Whereas (Daft, 2003, P 143), has explained that social responsibility is “merely a commitment and an obligation by corporations towards the different segments of a society, while taking into account the long term expectations of these different segments, that are manifested in various ways, often by focusing on their workforce and environment”.

The importance of social responsibility

Social responsibility enhances solidarity amongst the different segments of a society, and creates a high sense of belonging in individuals with special needs such as the disabled, unskilled individuals, minorities, women, youths and others. It also enhances social stability as a result of social justice and the supremacy of equal opportunities which is at the core of the social responsibility of business corporations. It also improves the quality of life in a society both in terms of infrastructure and culture and increases awareness of the importance of full integration of various community organizations and interest groups (Al- Ghalib & Manhal, 2004). It also enhances political development and social awareness, which in turn will lead to political stability and a sense of social justice since all stakeholders are concerned with social responsibility (Hashim, 2004), where it is a company’s responsibility to preserve the environment and achieve a better quality of life for its employees and community (Al Bakrie and Aldewa, 2001). As well as the importance of social responsibility in this era of information technology, privatization, and knowledge based economies that restructured the economy with the increasing importance of intangible assets (intellectual property) and its effects on market value (Nuaimi and Najm, 2006).

Areas of social responsibility

Considering that social responsibility stems from the social strengths of companies that are major players in societies, that in itself should compel such companies to fulfill their social responsibility obligations by undertaking various activities related to social responsibility and community service (Mansour, 1997).Many researchers have emphasized that social responsibility is a primary duty of a company’s management team where important decisions should be made in such a way as to promote community welfare and benefits (Daft, 2002).

Social responsibility and community service activities can be classified as follows:

In terms of the level of commitment and it includes:

1. Performing limited activities as stipulated by laws and regulations.
2. Performing additional activities not directly stipulated by laws and regulations.
3. Inform all concerned parties about all that the industrial enterprise can offer in the field of social responsibility and services.

In terms of the type of services:

1. Environmental protection activities such as nature preservation, cleaning up and the prevention of pollution.
2. Special activities for employees represented by fringe benefits and services offered by their employer, and that reflect positively on their personal and family welfare
3. Environmental interaction activities including all those that positively affect and preserve society, both from a material and moral aspect.
4. Consumer protection activities including ensuring customer satisfaction and awareness in providing best service in terms of quantity, quality and cost.

(Caroll, 2006) has stressed that social responsibility encompasses four core elements (dimensions), and these are economic, ethical, legal and charitable elements.

Corporate Social responsibility and working conditions

There is a growing acceptance of the term "working conditions", that is to say that values and principles can go hand in hand with the business goal of profitability. The cohesive social responsibility of a company should be based on integrity, and well defined values and standards, same as with long term gains, and this includes an active participation in building a healthy society.

Social responsibilities of companies work at three levels:

1. Assuming legal responsibility (such as security, workers' rights, consumer rights, environmental systems, and manufacturing standards).
2. Reduce the negative impact of work on society and prevent risks (such as pollution).
3. Increase the positive impact on society through innovation, investment and partnership to maintain a healthy, good and advanced society.

Discussions indicate that working conditions in small companies is different than that in large companies or multinational corporations. Good performance does not necessarily translate into obtaining good work, nor does not guarantee continuity of work. It is important to develop working conditions in small companies (Weiser & Zadek, 2001), since they consider reputation building a secondary matter as opposed to large corporations that spend millions of dollars on their logos. What matters to small companies is better planning, being mindful of their clients' interests and entering new markets. Social responsibility of a company may help it obtain business contracts, or build a relationship with transitional companies, and may present partnership opportunities through cooperation with other companies. Costs can be reduced as this process is based on eco-efficient standards such as lowering waste, energy. It may also lower staff turnover, enhance productivity and quality and promote relationships. All the aforementioned can be promoted through social and environmental performance along with education and innovation through creating new venues of work, developing skills, preventing risks, and bring about problem solving opportunities.

Social Auditing

The scope of social auditing is known to be an expanding one, since an individual's presence in a company cannot be separated from his social and psychological make-up; therefore, it can be argued that the scope of social auditing should involve all areas of interaction. The diversity in these areas of involvement is based on the diversity of human resources activities and can be applied on the process of running human resources as whole, or applied on a secondary process or specific circumstances or activities such as: recruitment, employment, professional training, planning, wages, bonuses, human relations, leadership and oversight, analysis and work design, absenteeism and turnover, working conditions, accidents at work, all forms of incentives, participation, communication, general atmosphere, extravagance and waste and deliberate sabotage. The main difference between the implementation of financial and social auditing is judged using inter-related standards that are applied separately to each field; however, the purpose of each must be to map out the most appropriate ways to achieve efficiency of operations in order to promote and enhance the company's internal and external standing. In other words they are complementary to one another.

Three levels can be discerned where social auditing can be exercised:

1. Administrative employment level

This level relates to auditing the daily running of operations. Its purpose is to avoid risks by arriving at immediate results and recommendations. It is a short term audit where readily available information is examined by means of its credibility, method of analysis, and source. It also examines the level of compatibility between followed procedures and enforced company policies. (Bradford, 2003, P. 12)

2. Procedural operations level

This level is situated between employment auditing and leadership auditing and plays an important role in overseeing the extent of a company's adherence to procedures in the running of its human resources.

It also follows up on both mid and long term policies and procedures, and follows up on the extent to which recommendations have been implemented, and monitors the social programs that are in effect.

3. Strategic level leadership

The aim here is to contribute to the development of social policies, and to identify medium and long-term programs, and it also allows for integration during the general planning stages of a company.

Social audit standards

Social auditing must be implemented by means of specific agreed upon standards that only differ in the fine details from financial auditing tasks (Messier, 2000, P.), these standards include:

Group 1. General (personal) auditing standards: The qualification standard, where an auditor should be qualified in order to undertake the task of social auditing; furthermore, the auditor should be a neutral party between management on the one hand, and the owners and society on the other. Professional responsibility is the major standard of social auditing, and Jordanian laws and legislations have given it the greatest deal of attention, and entrusted the financial auditor with it even before there was social auditing, and it has enumerated numerous acts where an auditor can be held criminally liable for negligence.

Group 2. Field work standards: Planning standards for audit tasks, it is important that the planning incorporates social aspects. Social audit files must be maintained; moreover, an auditor should check his client's social performance, and should examine internal control systems to ascertain whether they adhere to social auditing and include social contributions and the evidence to support it. All this should be considered part of the quality assurance process of an audit process.

Group 3. Reporting and disclosure standards: The auditor should be required to submit a report detailing his the results of his examination of social activity, and must present it to all interested parties, and to specify a select body such as the Ministry of Social Development, or Financial Monetary committee, or the Association of Auditors, or Owners that should receive and discuss the social report.

Among the most important requirements that must exist in order for social responsibility accounting and social auditing to achieve their objectives so that a company can continue its work and accomplish its objectives are:

1. The presence of a social responsibility accounting system, where this system aims to measure and communicate all relevant information regarding the social activities of the company.
2. Developing standards to measure the quality of social performance, since it is difficult to measure the extent or duration of effectiveness without such standards.
3. Competent employees to undertake the task social auditing.
4. Management's realization of the importance of social auditing. Management's reaction should be positive regarding the social auditing process, as well as towards the guidance and recommendations submitted by the social auditor; and by focusing on important social areas or those that were not given sufficient attention. A lack of response may affect particular areas or the public at large.

Results

The results of the statistical analysis of the questionnaire that were distributed to the study sample are shown in the following table, where the mean, standard deviation, relative ranking and T value for each question are provided.

#	Items	Mathematical average	Standard deviation	Ranking	T value
	Availability of needed experience for implementing SRA and its effect on companies' sustainability			Jordanian	shareholding

1	Does the company enhance its status and reputation by applying corporate social responsibility?	4.313	0.791	14	17.877931
2	Does the company care how its operations positively or negatively impact the view society has of the company?	4.352	0.929	12	15.674366
3	Does the company take into consideration all social factors and human capital before making decisions?	4.514	0.793	11	20.562774
4	Does senior management have a clear vision on how to apply social auditing and its principles as part of the company's future planning?	4.516	0.955	10	17.097194
5	Does the corporate culture in the company support social auditing?	3.324	1.153	24	3.0265281
6	Does senior management support the creation of a special committee that is dedicated to oversee social auditing?	3.361	0.912	23	4.2632556
7	Does social auditing in the company lead to an improved image and reputation of the company and a positive relationship with the community?	4.674	0.975	7	18.491828
8	Does the company collect field data about its operations that can be used by social auditors in evaluating corporate social responsibility?	2.799	1.353	26	- 1.6000269
9	Is there reporting about social programs within the company?	4.874	0.982	5	20.553563
10	Are there studies being prepared for future social programs the company will be involved in?	4.531	0.881	9	18.716657
11	Does a lack or absence of an understanding of the concept of social auditing constitute an important factor in it not being applied? .	4.984	0.897	1	23.822001
12	Does corporate literature help spread and support the concept of social auditing?	4.891	0.796	4	25.586299
13	Are social motives the basis of carried out activities and programs?	4.917	1.018	3	20.281653
14	Is there a specific program at companies to deal with social responsibility?	4.067	0.898	16	12.797263
15	Is information pertaining to the social aspects of corporations published along with their financial statements?	3.907	1.036	18	9.4292368
16	When evaluating social programs and activities, is their performance measured against the social goals for which they are designed?	2.053	1.532	28	- 6.6576387
17	Are there specialized tools and programs for dealing with social auditing?	4.921	0.924	2	22.391563
18	Is the implementation of social programs at corporations important in reducing the dangers stemming from misperceptions of jobs and duties pertaining to them and the overall corporate function?	4.855	0.966	6	20.682155
	Availability of the needed experience (axis one)	4.214	0.830		6.202

availability of social accounting auditors					
	Is the auditor technically qualified and does the auditor possess enough experience to perform social auditing?	4.332	0.811	13	17.689
	Does the auditor have legal knowledge of social auditing regulations and legislations?	3.554	0.822	21	7.258
	Is the auditor able to quantify the impact the company's operations on the society?	3.898	1.012	19	9.557
	Does the auditor stay up-to-date with the latest developments in the field of corporate social auditing and newest regulations?	3.563	0.966	20	6.277
	Is the auditor aware of all social activities involving the company?	4.023	0.988	17	11.151
	Does the company provide qualifying training for internal auditors on how to deal with legal rules and principles relating to social auditing?	2.554	1.382	27	-3.475
	Does the auditor reference the literature and experiences of similar audits and auditors from developed nations to better apply audit methodologies in the field?	4.086	0.987	15	11.850
	For auditors (axis two)	3.715	0.540		3.501
availability of needed legislatives for implementing social accounting					
	Do government regulations and legislations compel the company to abide by its social responsibilities and be transparent in social auditing?	2.000	1.298	30	-8.297
	Are local legislations and regulations regarding social auditing sufficient specifically when to compared to other legislations and regulations in developed countries?	4.855	0.913	6	21.882
	Will companies that do not maintain transparency regarding their social activities, and do not make available any audits relating to said activity be held accountable?	2.012	1.291	29	-8.242
	Do local laws governing corporate entities lack regulations regarding corporations' social activities?	2.845	0.987	25	-1.691
	Does the corporation implement the rules and abide by the legal standards pertaining to social auditing?	4.544	0.863	8	19.269
	For legislation (axis three)	3.251	1.118		0.45
	For the three axes together	3.937	0.935		5.489

If $t_{calc} > t_{tab}$, the null hypothesis is rejected. In our study and by applying Student's t-test to the three hypotheses of the study we find:

Results of the first hypothesis

Result of null hypothesis	SIG	Tabulated T	Calculated T
Rejection	0.00	1.6563	16.923

It is evident that the calculated value of $t = (16.923)$ is significantly higher than the tabulated value (1.6563) at 95% confidence level ($\alpha = 0.05$), as such the null hypothesis is rejected. So we can conclude that there is a statistically significant relationship between the availability of the required expertise for the implementation of SRA and the sustainability of Jordanian shareholding companies.

Results of the second hypothesis

Result of null hypothesis	SIG	Tabulated T	Calculated T
Rejection	0.00	1.6574	14.616

Again, it is evident that the calculated value of $t = (14.616)$ is significantly higher than the tabulated value (1.6574) at 95% confidence level ($\alpha = 0.05$), as such the null hypothesis is rejected. So we can conclude that there is a statistically significant relationship between the level of awareness auditors and management has of SRA and the sustainability of Jordanian shareholding companies

Results of the third hypothesis

Result of null hypothesis	SIG	Tabulated T	Calculated T
Rejection	0.00	1.6577	2.243

Lastly, it is evident that the calculated value of $t = (2.243)$ is higher than the tabulated value (1.6577) at 95% confidence level ($\alpha = 0.05$), as such the null hypothesis is rejected. So we can conclude that there is a statistically significant relationship between the existence of legislation requiring the implementation of SRA and the sustainability of Jordanian shareholding companies.

Conclusion

1. The availability of competent and experienced auditors has no effect on the implementation of social auditing and social responsibility accounting in Jordanian public shareholding companies.
2. Jordanian public shareholding companies are interested in providing social services and adopting social responsibility for the present and the future, which in turn reflects positively on their reputation, and on their sustainability and social acceptance.
3. There are impediments to the implementation of social responsibility accounting and social auditing in Jordanian public shareholding companies; furthermore, disparities exist in the classification of social responsibility, which in turn reflects negatively on their sustainability.
4. Jordanian legislation continues to lack specific texts that require the implementation of social responsibility accounting.
5. The classification of social responsibility is largely dependent on the size of capital and the number of employees in any given company, where the larger the capital the greater the interest in social responsibility.

Study recommendations

1. There is a need for the association of Jordanian Auditors to hold ongoing training courses and workshops for Jordanian auditors that explain social responsibility accounting and social auditing, methods for their implementations and their effects on the future of companies.
2. There is a need for the Management of Jordanian public shareholding companies to reformulate their future plans, goals and objectives in such a way that will be more consistent with the goals and aspirations of the local and regional communities.
3. Adopt and implement the proposed model of social responsibility accounting and auditing in Jordanian public shareholding companies, even if it were on an experimental basis.

4. A commitment by Jordanian public shareholding companies to disclose in their published statements the size, type, quality and mechanics of their social participation in the local community.
5. The researchers believe that there is a need to conduct further research into social responsibility accounting and social auditing in Jordan because of the important role it plays in the development of local communities, and to ensure corporate responsibility towards their communities.

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Appendix (1)

Questionnaire

Dear Sir/ H Esquire / H:

The researchers would like to ask for your participation in order to carry out a study entitled **“Importance of applying the social responsibility accounting (SRA) in public shareholding companies in Jordan and its impact on their sustainability”**.

Would you kindly cooperate by completing the data and responding to all the questions posed in this questionnaire by placing an (X) in front of each question under the heading you find to be most appropriate and representative of your understanding and perception, keeping in mind that your answers will only be used for research purpose only?

Thank you for your cooperation

Researchers

Younis Shoubaki, PhD Suleiman Abu sabha, PhD.

Part I. General information: Please place an (x) where it applies to you

1. Respondent Profile.

- a. Name
- b. Age: Less than 25 25-40 40 and above
- c. Educational Qualification: Graduate Post graduate Professional
- d. work less than 5 years 5-10 years 10 and above

Part II. Please place an (X) under the heading you feel represent the best answer.

Number	statement	Strongly disagree	disagree	neither	agree	Strongly agree
availability of needed experience for implementing social accounting responsibility in Jordanian shareholding companies						
1	Does the company enhance its status and reputation by applying corporate social responsibility?					
2	Does the company care how its operations positively or negatively impact the view society has of the company?					
3	Does the company take into consideration all social factors and human capital before making decisions?					
4	Does senior management have a clear vision on how to apply social auditing and its principles as part of the company's future planning?					
5	Does the corporate culture in the company support social auditing?					
6	Does senior management support the creation of a special committee that is dedicated to oversee social auditing?					
7	Does social auditing in the company lead to an improved image and reputation of the company and a positive relationship with the community?					
8	Does the company collect field data about its operations that can be used by social auditors in evaluating corporate social responsibility?					
9	Is there reporting about social programs within the company?					

10	Are there studies being prepared for future social programs the company will be involved in?.					
11	Does a lack or absence of an understanding of the concept of social auditing constitute an important factor in it not being applied? .					
12	Does corporate literature help spread and support the concept of social auditing?.					
13	Are social motives the basis of carried out activities and programs?					
14	Is there a specific program at companies to deal with social responsibility?					
15	Is information pertaining to the social aspects of corporations published along with their financial statements?					
16	When evaluating social programs and activities, is their performance measured against the social goals for which they are designed?.					
17	Are there specialized tools and programs for dealing with social auditing?					
18	Is the implementation of social programs at corporations important in reducing the dangers stemming from misperceptions of jobs and duties pertaining to them and the overall corporate function?					
availability of social accounting auditors						
1	Is the auditor technically qualified and does the auditor possess enough experience to perform social auditing?					
2	Does the auditor have legal knowledge of social auditing regulations and legislations?					
3	Is the auditor able to quantify the impact the company's operations on the society?					
4	Does the auditor stay up-to-date with the latest developments in the field of corporate social auditing and newest regulations?					
5	Is the auditor aware of all social activities involving the company?					
6	Does the company provide qualifying training for internal auditors on how to deal with legal rules and principles relating to social auditing?					
7	Does the auditor reference the literature and experiences of similar audits and auditors from developed nations to better apply audit methodologies in the field?					
availability of needed legislatives for implementing social accounting						
1	Do government regulations and legislations compel the company to abide by its social responsibilities and be transparent in social auditing?					
2	Are local legislations and regulations regarding social auditing sufficient specifically when to compared to other legislations and regulations in developed countries?					
3	Will companies that do not maintain transparency regarding their social activities, and do not make available any audits relating to said activity be held accountable?					
4	Do local laws governing corporate entities lack regulations regarding corporations' social activities?					
5	Does the corporation implement the rules and abide by the legal standards pertaining to social auditing?					