

**An-Najah National University**

**Faculty of Graduate Studies**

**Integrating Corporate Social Responsibility and  
Sustainability: The Case of Palestinian Food  
Manufacturing Sector**

**By**

**Mazen F. Mallah**

**Supervisor**

**Dr. Ayham Jaaron**

**This Thesis is Submitted in Partial Fulfillment of the Requirements for  
the Degree of Master of Engineering Management, Faculty of Graduate  
Studies, An-Najah National University, Nablus, Palestine**

**2018**

**Integrating Corporate Social Responsibility and  
Sustainability: The Case of Palestinian Food  
Manufacturing Sector**

**By**

**Mazen Mallah**

**This Thesis was defended successfully on 6 / 5 / 2018 and approved by:**


**Defense Committee Members**

**Signature**

– **Dr. Ayham Jaaron / Supervisor**

  
.....

– **Dr. Suhail Sultan / External Examiner**

  
.....

– **Dr. Mohammed Othman / Internal Examiner**

  
.....

### III

## **Dedication**

This Thesis is dedicated to my parents; my mother, Najah, and my late father, Fawwaz, both of whom gave me the foundation of something they had never enjoyed – education. Ever since then, I have been able to appreciate the value of reading and lifelong learning.

To my beloved sister, aunts, uncles, to all my friends and loved ones, who guided and supported me throughout the period of my studies.

Thank you for everything.

## **Acknowledgement**

First and foremost, thank you lord for all your blessings and for giving me the strength and guidance to accomplish my dreams.

I would like to thank my mother, aunt and sister for their love, dedication and support. Thank you for giving me the power to reach for the stars and accomplish my dreams.

I would like to sincerely thank my supervisor, Dr. Ayham Jaaron, for his guidance and support throughout this Thesis, and especially for his confidence in me.

And last but not least, to all of my friends and family, thank you for your assistance and encouragement in the moments of crisis. You made my life a prosperous colorful experience.

## الإقرار

أنا الموقع أدناه، مقدم الرسالة التي تحمل العنوان:

# **Integrating Corporate Social Responsibility and Sustainability: The Case of Palestinian Food Manufacturing Sector**

أقر بأن ما اشتملت عليه هذه الرسالة إنما هو نتاج جهدي الخاص، باستثناء ما تمت الإشارة إليه حيثما ورد، وأن هذه الرسالة كاملة، أو أي جزء منها لم يقدم من قبل لنيل أي درجة أو لقب علمي أو بحث يتبع أي مؤسسة تعليمية أو بحثية أخرى.

## **Declaration**

The work provided in this thesis, unless otherwise referenced, is the researcher's own work, and has not been submitted elsewhere for any other degree or qualification.

**Student's name:**

**اسم الطالب:**

**Signature:**

**التوقيع:**

**Date:**

**التاريخ:**

## List of Abbreviations:

CSR	Corporate Social Responsibility
PLS-SEM	Partial Least Square Structural Equation Modeling
SR	Social Responsibility
HR	Human Resources
APA	American Psychological Association
ISO	International Organization for Standardization
CSO	Civil Society Organization
NGO	Non-governmental Organization
GRI	Global Reporting Initiative
DJSI	Dow Jones Sustainability Index
TBL	Triple Bottom Line
SDS	Sustainable Development Strategy
SDG	Sustainable Development Goals
MDG	Millennium Development Goals
SD	Sustainable Development
EU	European Union
UN	United Nation
CSER	Corporate Social and Environmental Responsibility
ANP	Analytical Network Process
SMP	Sustainable Manufacturing Practice
LCA	Life Cycle Assessment
LCC	Life Cycle Costing
SLCA	Social life cycle assessment
GRI	Global reporting initiative
PFIU	Palestinian Food Industries Union
SPSS	Statistical Package for the Social Sciences
SRMR	Standardized Root Mean Square Residual
NFI	Normed Fit Index
CEO	Chief Executive Officer
BOD	Board of Directors
HDI	Human Development Index
SA	Social Accountability
MENA	Middle East and North Africa

## Table of Contents

Dedication .....	III
Acknowledgement.....	IV
Declaration .....	V
List of Abbreviations: .....	VI
Table of Contents .....	VII
List of Tables.....	XI
List of Figures .....	XII
Abstract .....	XIII
Chapter One.....	2
Introduction .....	2
1.1. Overview .....	2
1.2. Background.....	2
1.3. Research Problem.....	5
1.4. Significance of the Study.....	6
1.5. Research Questions.....	7
1.6. Research Objectives .....	8
1.7. Hypotheses.....	9
1.8. Thesis Structure .....	9
Chapter Two.....	12
Literature Review .....	12
2.1. Overview .....	12
2.2. Corporate Social Responsibility (CSR).....	12
2.3. Global Trends in CSR .....	16
2.4. Sustainability .....	21
2.4.1. Sustainability's three bottom lines .....	23

## VIII

2.4.2. Global Trends in Sustainability .....	31
2.5. Sustainable Development (SD) .....	37
2.6. Millennium Development Goals (MDGs).....	39
2.7. Sustainable Development Goals (SDGs) .....	40
2.8. Sustainable Manufacturing.....	41
2.9. Corporate Social and Environmental Responsibility .....	43
2.10. CSR and Sustainability effects on corporate image .....	44
2.11. CSR and Sustainability in Manufacturing.....	46
2.12. Measurements and tools used in determining the level of CSR employed by organizations .....	49
2.13. Measurements and tools used in determining the level of sustainability employed by organizations.....	52
2.14. Summary.....	55
Chapter Three.....	58
Methodology .....	58
3.1. Overview .....	58
3.2. Research Type .....	58
3.3. Research Approach.....	60
3.4. Methodology Diagram.....	62
3.5. Research Population and Sampling Techniques .....	64
3.6. Data Collection Tools.....	68
3.6.1. Quantitative Data Collection Tool.....	68
3.6.2. Data Collection Tools Validity and Reliability .....	72
3.6.3. Survey Content Validity.....	72
3.6.4. Survey Reliability.....	73
3.6.5. Interview Questions Validity.....	74
3.7. Analysis Techniques.....	75
3.7.2. Quantitative Data Analysis.....	75



3.7.3. Qualitative data analysis.....	77
3.8. Ethical Concerns.....	78
Chapter Four.....	80
Data Analysis .....	80
4.1. Overview .....	80
4.2. Survey Analysis.....	81
4.3. Normality Test.....	81
4.4. Study Population.....	82
4.5. Partial Least Square Structural Equation Modeling (PLS-SEM) Analysis.....	87
Sustainability and CSR Practices Assessment.....	92
4.6. Hypotheses Testing.....	93
4.7. Interviews Analysis .....	104
Chapter Five .....	110
Discussion .....	110
5.1. Overview .....	110
5.2. Sustainability and CSR relations discussion .....	110
5.3. The barriers, obstacles. and drivers for applying sustainability and CSR in the Palestinian food manufacturing sector.....	112
5.4. The best practices for applying corporate social responsibility in the Palestinian manufacturing sector.....	116
5.5. The impact of corporate governance on sustainability and corporate social responsibility.....	119
5.6. Sustainability and CSR drivers and challenges.....	121
5.7. Framework Development .....	123
Chapter Six.....	128
Conclusion and Recommendations .....	128
6.1. Overview .....	128

6.2. Conclusion .....	128
6.3. Recommendations .....	130
6.4. Limitations of the study .....	131
6.5. Future research work .....	132
References .....	134
Appendix I: Survey (Arabic).....	160
Appendix II: Survey (English) .....	165
Appendix III: List of Interview Questions .....	174
Appendix IV: List of survey and interview questions arbitrators.....	177
Appendix V: List of framework arbitrators .....	177
Appendix VI: Normality Test .....	178
المخلص .....	ب

## List of Tables

Table 1 Green Tech“ Germany: Market Share and Annual Growth Rates. .....	34
Table 2 Sustainability Performance Indicators Adopted by Global Reporting Initiatives .....	55
Table 4 Distribution and Characteristics of Interviewees.....	66
Table 5 Cronbach's Alpha .....	74
Table 6 R Square .....	88
Table 7 Composite Reliability .....	89
Table 8 Factor correlation t-test results.....	91
Table 9 Model Fit Indices .....	92
Table 10 Gender Hypothesis Testing.....	95
Table 11 Educational Level Hypothesis Testing .....	96
Table 12 Managerial Level Hypothesis Testing .....	97
Table 13 Age Hypothesis Testing.....	98
Table 14 Years of Experience Hypothesis Testing.....	99
Table 15 Number of Employees Hypothesis Testing .....	100
Table 16 Company Type Hypothesis Testing.....	101
Table 17 Company Age Hypothesis Testing .....	102
Table 18 Compatibility Degree of Sustainability and CSR Commitment and Motivators in the Food Sector .....	103
Table 19 Summary of identified codes and themes .....	104

## List of Figures

Figure 1 The triple-P concept of sustainability .....	3
Figure 2 SR Effect on other pillars .....	4
Figure 3 Global Low-carbon and Environmental Goods and Services 2008/9–5,100 .....	33
Adapted from Janicki, 2012 .....	33
Figure 5 Sequential mixed methodology approach interpretation.....	68
Figure 6 Gender.....	82
Figure 7 Highest Earned Education .....	83
Figure 8 Managerial Level .....	83
Figure 9 Age.....	84
Figure 10 Experience .....	85
Figure 11 Number of Employees .....	85
Figure 12 Business Type .....	86
Figure 13 Company Working Years .....	87
Figure 14 PLS-SEM Analysis.....	88
Figure 15 Bootstrapping t-test analysis.....	90
Figure 16 Conceptual model for CSR and Sustainability best practices ..	124

**Integrating Corporate Social Responsibility and Sustainability: The  
Case of Palestinian Food Manufacturing Sector**

**By**

**Mazen F. Mallah**

**Supervisor**

**Dr. Ayham Jaaron**

**Abstract**

Corporate Social Responsibility (CSR) and sustainability are considered hot trends in today's modern trade system. Most multinational corporations have adapted their strategies by embedding CSR and sustainability standards and policies (Mani et al., 2018).

The linkages between CSR and sustainability applications have never been explored for the Palestinian food manufacturing sector; this research explores these linkages and their impact on corporate performance. This research aims to identify the barriers, obstacles, and drivers for sustainable practices in the Palestinian food manufacturing sector. This research will also investigate the impact of sustainability and CSR factors (commitment and motivators) and how they affect each other to identify the best practices for CSR and sustainability applications.

The current study employs a sequential mixed methodology approach for data collection using qualitative and quantitative data collection tools. Quantitative data are collected using surveys while the qualitative data are collected through interviews with corporate seniors in the Palestinian food manufacturing sector. The collected quantitative data are analyzed using Partial Least Square Structural Equation Modeling and Kruskal-Wallis, while the qualitative data are analyzed using the thematic analysis method.

The qualitative data analysis is used to discuss and interpret the outcomes of the quantitative analysis.

The results of this research indicate that CSR and sustainability are being applied within the Palestinian corporate food manufacturing sector in their most basic functions and this application is manifested through the improvement of supply chain processes and cost reduction.

CSR is being applied in many forms through financial assistance provided in the form of charity work for the community, attaining labor rights and abiding by some SA8000 standards. Some corporations already have CSR certificates such as ISO26000 and SA8000 and are being audited by them.

There are strong linkages between CSR factors (commitment and motivators) and sustainability factors (commitment and motivators). The CSR commitment factor has the strongest relations with other factors, which indicates that corporate commitment to CSR could affect the level of corporate sustainability application. Moreover, sustainability's environmental pillar is the least of the concerns of corporations who are paying more attention towards their manufacturing materials and machinery and other supply chain processes. The demographical specifications also present strong relations on CSR and sustainability applications.

Many challenges are hindering the applications of CSR and sustainability in Palestine such as the Israeli occupation of the West Bank, the lack of governmental support and corporate financial limitations.

This research resulted in the development of a framework that introduces the best practices for corporations willing to apply CSR and sustainability

standards in the Palestinian food manufacturing sector. The main conclusion of this research is that there is a strong relationship between CSR and sustainability. This relationship is affected by many factors such as the demographics of the stakeholders, community awareness, the dynamics of the Palestinian market, and the Israeli occupation actions and its control over borders and transportation roads; all these factors affect the level of corporate attention and application of sustainability and CSR. The value of this research is the assessment and exploration the best practices of CSR and sustainability applications in the Palestinian food manufacturing sector, in addition to establishing linkages and connections between CSR and sustainability factors and the methods of generalizing and improving these best practices.

# **Chapter One**

## **Introduction**



# **Chapter One**

## **Introduction**

### **1.1. Overview**

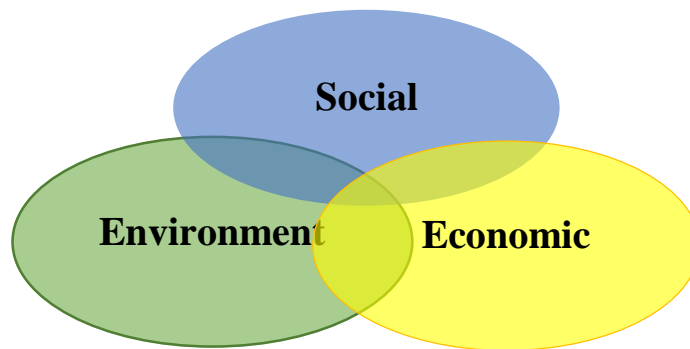
This chapter presents a general overview of this study including background, research questions, research objectives, hypothesis, ethical concerns and thesis structure.

### **1.2. Background**

Over the last two decades, the world has become more economically integrated and “flat” (Friedman, 2006). Many organizations today are adopting a global business focus and work on managing global resources to operate their businesses (Sharma and Lee, 2012). This has caused an increase in the demand for more sustainable and competitive strategic planning by adopting new methods of management and new policies that comply with the current trend of markets and customers. Long-term complications should also be investigated and dealt with in all aspects of the organizational process and through sustainable manners.

Actions should be taken to save our planet’s resources and responsibilities should be held to ensure the stability of our economies and organizations. In addition, resource management is important to reduce waste and save costs to stay in business. Sustainability looks more into the future and focuses on the long run in managing a business since what we consume today of our planet’s resources will not be available for our children tomorrow.

Sustainability is one of the main trends in today's businesses due to a rise in the awareness of societies and the hazards that the industrial sector is causing to the environment in general. Sustainability's most common dimensions are environmental, economic and social, which are also called the three pillars of sustainability or Triple-P (Silvius, 2012).



**Figure 1** The triple-P concept of sustainability

Sustainability suggests that companies need to produce products using fewer resources with a key focus on waste reduction (Thomas et al., 2015). Low cost, highly responsive, and flexible product ranges are now essential in order for a company to capture new markets and to become economically sustainable (Thomas et al., 2016).

In the past few decades, many global incidents occurred that negatively affected the public image of companies in the eyes of the community (CNN/Money, 2002; Tse et al., 2017; Siano, 2017). These included financial scandals (Enron, WorldCom, etc.), top management corruption (Exxon, Monsanto, etc.), many top clothing companies (Reebok, Nike, etc.). In addition, incidences like the latest Volkswagen scheme in the diesel engines of their cars reduce public trust in these companies, which directly affects

the financial situation of the company and the whole economic stability (Werhane, 2016).

Social Responsibility and CSR affect not only the human factor but also the way we handle the surrounding environment, which in turn affects the economic situation of the organization and the entire sector.



**Figure 2** SR Effect on other pillars

The welfare of the whole community is the responsibility of the government and the legislators of the law in addition to organizations policies and public pressure. All the aforementioned should work together to ensure a healthy sustainable system, which in turn affects the quality of the economy.

The relationship between sustainability and CSR is interrelated (Baumgartner, 2014). Sustainability consists of three main pillars (social, environment, and economic); each of these three pillars is connected and affects CSR.

Once applied, they impact all the aspects of the corporation and its stakeholders (owners, staff, customers, etc.). They also have a positive impact on the surrounding community and the economy where they are applied. When the application of CSR and sustainability is accommodated with laws and regulations, it would have an overall positive effect on the firm, its stakeholders and the surrounding community (Ioannou and Serafeim, 2017).

CSR and sustainability are being applied in the Palestinian context. While this application is incomparable to their application in the global market, Palestinian food manufacturing sector corporations are applying CSR and sustainability out of self-awareness of their benefits for corporations, the community, the economy, and stakeholders (Alkababji, 2014).

The application of CSR and sustainability is considered in the emergent process and it's disconnected due to corporate behavior in handling this application. Palestinian food manufacturing corporations apply CSR without attaining sustainability policies and standards and vice versa (Eid and Sabella, 2014). This has resulted in the lack of exploitation of the full potentials and benefits that the connectedness of CSR and sustainability could offer to these corporations.

This research will focus on assessing and exploring the best practices of CSR and sustainability factors (commitment and motivators) application in the Palestinian food manufacturing sector, the methods of employing these relationships for the benefit of the organization, and the methods adopted in the fulfilment of the three pillars of sustainability to generalize and improve these best practices.

### **1.3. Research Problem**

The lack of connectedness between CSR and sustainability in the Palestinian corporate food manufacturing sectors have led to the improper application of CSR and sustainability standards and policies.

Sustainability's three pillars (economic, environmental and social) all affect and contribute to the fulfillment of CSR standards (Visser and Tolhurst, 2017), and the lack of this connectedness in the Palestinian case is hindering

the proper implementation of both CSR and sustainability standards and policies (Haigh and Kennedy, 2015).

Such behavior requires some rectifications to ensure appropriate implementation of these standards and principles. CSR and sustainability affect the whole of the organization, the surrounding environment, and the community, highlighting the importance of integrating and connecting CSR and sustainability factors (Maas and Reniers, 2014).

The lack of understanding of the positive effects of sustainability on the Palestinian food manufacturing sector and the lack of overall social responsibility have contributed to the amplification of this problem (Lim and Greenwood, 2017).

The connections between CSR and sustainability are new to the Palestinian industry and have never been assessed for the Palestinian food manufacturing sector (Liang and Renneboog, 2017).

This research is going to assess and explore the best practices of CSR and sustainability applications in the Palestinian food manufacturing sector, in addition to establishing linkages and connections between CSR and sustainability factors and the methods of generalizing and improving these best practices.

#### **1.4. Significance of the Study**

Sustainability is one of the main hot topics discussed in contemporary organizations. Additionally, it is important to consider the social aspect since human factors ensure the success or failure of an organization.

This research will work on closing the gap between CSR and sustainability through the exploration of CSR and sustainability factors, which has never been explored in the Palestinian food manufacturing sector.

In this study, the relations between the four imposed factors of CSR and sustainability (CSR commitment, CSR motivators, sustainability commitment, and sustainability motivators) will be explored to understand the best method of connecting these factors to develop a framework for corporations who are willing to apply these principles in practice.

This framework will aid decision makers by providing solid data and scientific methods to apply CSR and sustainability standards. It will also assist government officials and politicians to understand the situation of CSR and sustainability in the Palestinian food manufacturing sector.

This study will also shed light on CSR and sustainability in Palestine and the Palestinian corporate food manufacturing sector. It will also explore the impact on corporations, governments, Palestinian corporations and non-Palestinian corporations or other global organizations (who are willing to invest in CSR and sustainability).

In this study, we will review the best practices in social responsibility in Palestine and use the findings of the analysis to produce a framework that will work as a standard for Palestinian organizations willing to adopt sustainability and CSR practices.

### **1.5. Research Questions**

Research questions were formulated to link directly and accomplish the research objectives:

**1. What are the barriers, obstacles, and drivers for applying sustainability within the organizations of the Palestinian manufacturing sector?**

This question discusses the internal and external factors (barriers, obstacles, and drivers) that affect the application of sustainability within the organizations.

**2. How CSR and sustainability are affecting each other?**

This question will discuss the relationship between CSR and sustainability factors (CSR commitment, CSR motivators, sustainability commitment and sustainability motivators) within corporations that apply CSR and sustainability principles.

**3. What are the best practices for applying social responsibility and sustainability in the Palestinian manufacturing sector?**

This question will explore the best practices learned from each company for applying CSR and sustainability and will examine the effects of such applications on the employees of the organization and its economic situation.

**1.6. Research Objectives**

The objectives of this study are:

1. To identify the barriers, obstacles, and drivers for sustainable practices in manufacturing organizations in Palestine.
2. To investigate the impact of sustainability factors (commitment and motivators) on CSR.
3. To investigate the impact of CSR factors on sustainability factors.

4. To investigate the impact of both sustainability and CSR factors on each other.
5. To identify best practices for applying CSR and sustainability.

### **1.7. Hypotheses**

The level of CSR commitment in organizations is positively related to the level of sustainability commitment.

The level of CSR commitment in organizations is positively related to the level of application of sustainability motivators.

The level of CSR commitment in organizations is positively related to the level of application of CSR motivators.

The level of sustainability commitment in organizations is positively related to the level of application of sustainability motivators.

The level of sustainability commitment in organizations is positively related to the level of application of CSR motivators.

### **1.8. Thesis Structure**

This thesis consists of six chapters; each of these chapters consists of a set of sections. The first chapter introduces the terms of CSR and sustainability, research problems, objectives, questions and hypotheses.

The second chapter presents the previous research in this area, especially concerning CSR and sustainability and their applications around the world.

The third chapter explains the methods used to conduct this research and presents the methods and tools for data collection and analysis. The fourth



chapter, “Data Analysis”, presents the analysis of the data collected during the data collection process from the targeted population for both quantitative and qualitative data. It also presents the preliminary description and the summarized discussion of the analyzed data.

The fifth chapter discusses the results and outcomes of the analyzed data and the best practices framework. The sixth chapter presents the conclusions of the outcomes and results of this research. Furthermore, it provides a set of recommendations for corporations to apply CSR and sustainability in the most convenient way and presents directions for future research.

## **Chapter Two**

### **Literature Review**

## **Chapter Two**

### **Literature Review**

#### **2.1.Overview**

This chapter presents a literature review of the main trends of CSR and sustainability in Palestine, the MENA region and the world, sustainability development goals (SDGs), millennium development goals (MDGs), sustainable manufacturing, CSR and sustainability effects on corporate image, CSR and sustainability in manufacturing, and measurement tools used to determine CSR and sustainability levels employed in the Palestinian corporate food manufacturing sector.

#### **2.2. Corporate Social Responsibility (CSR)**

The concept of corporate social responsibility (CSR) has been contested since the beginning of the era of its modern interpretation in the 1950s. The debate about adequately defining the concept has led to a plethora of definitions to emerge over time, and the discourse within the CSR domain about the conceptual interpretation of the term remains vivid. Friedman offered a conception of CSR in the 1960s and 1970s, which states that the only social responsibility a firm has is to increase its profit while not harming the foundation of the society (de Leaniz and Ruiz, 2018). According to Friedman, the company must not follow its goals blindly; rather, it should play fair and obey the law and should not be involved in any deception or suspicious activities. Despite the proliferation of definitions and discussions

about their interpretation and the varying theoretical orientations that scholars have taken to investigate and reflect on the concept, different evolutionary phases of this peculiar definitional construct can be distinguished (Davis et al., 2015). Most of the definitions are composed of similar epistemological components and by implication have a considerable degree of overlap (Moratis, 2016).

According to Fox (2004), CSR was defined by The European Commission “CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.” According to Aras and Crowther (2012), it is not easy to recognize what is or is not socially responsible due to the existence of various definitions of CSR. In fact, CSR is concerned globally by the relationship between corporations, governments of countries, and individual citizens (Chabrak, 2015). Locally, it is concerned with the relationship a corporation has with the local society in which it operates; in other words, it is concerned by the relationship between the corporation and its stakeholders. Hence, CSR is defined to be a company’s commitment to operating in an economically, socially and environmentally sustainable manner while recognizing the interests of its stakeholders, including investors, customers, employees, business partners, local communities, the environment and the society at large (Aras and Crowther, 2012).

According to local Palestinian corporates CSR is defined as “the balance between corporate sustainability and its moral obligations towards the well-

being of the civil society as a safety valve for monitoring and maintaining the private corporate survival” (Alkababji, 2014).

From the evolution of the CSR construct through the years, two key issues can be gleaned. First, CSR was established based on changes in the social contract between society and business, and its definition has evolved to reflect the society’s and stakeholders’ expectations of business, notably in the social and ethical realms (Aguilera et al., 2007). The second issue is a change in a view away from philanthropic CSR toward strategic CSR (Brugmann and Prahalad, 2007). This approach means that social, environmental, and economic goals are not inherently conflicting but can be integrally connected. This viewpoint captures the idea of incorporating social and environmental concerns into the strategic management process of the firms (Porter and Kramer, 2006). Corporate sustainability evolved as a derivation of the concept of sustainable development (Barakat et al., 2015). The Brundtland Report, 1987 highlighted three components: environmental protection, economic growth, and social equity. Closely linked with the sustainability movement is the millennium development goals (MDG), promoting human development as the key of sustaining social and economic progress in all countries, representing a roadmap for the UN member states (Romero and Lamadrid, 2014).

Due to the rising importance of CSR, a general ISO standard (ISO 26000) has been developed for all types of organizations regardless of their size and location. ISO 26000 is solely concerned with CSR, namely, its concepts, terms, and definitions. It disciplines how the company or organization is

connected and interacts with the surrounding society to ensure the discipline of such connections and interactions and the assessment of such behavior. ISO 26000 is intended to assist organizations in contributing to sustainable development and to go beyond legal obligations that the company must fulfill to recognize social responsibility in all aspects of their work. (Moratis, 2016). CSR has been recognized by worldwide leading corporations in different sectors as an important factor to report against along with sustainability, while this practice was attained less frequently in SMEs (Singh et al., 2018). Dean (2004) argues that the actions undertaken by companies as a part of the CSR program may be partly altruistic but may also be used in their own corporate interests. Angelopoulos (2006) agrees and underlines that the benefits of promoting CSR are not limited to the external environment of the company (better reputation, expansion of the client base, and penetration of new markets), as CSR initiatives may also have a significant impact on the internal environment (e.g. increase employee productivity and loyalty as well as the development of competitive advantage). Additionally, companies may become more effective in the recruitment and retention of talented employees, as people may have positive feelings when working for a socially responsible company (Chatzoudes et al., 2015).

In applying CSR Standards, the organization should take into consideration societal, environmental, legal, cultural, political and organizational diversity, as well as differences in economic conditions while being consistent with international norms of behavior. ISO 26000 is not a management system,

rather, it provides guidance and includes social responsibility in an organization's public policy (Moratis, 2016).

### **2.3.Global Trends in CSR**

- **CSR in Europe**

In recent years, the concepts of corporate sustainability, CSR, corporate social performance, and environmental management have received increasing amounts of attention from both academics and practitioners. Given that sustainability practices are key to a company's survival, targeted sustainable actions within a company's strategy are likely to become a source of competitive advantage (Lloret, 2016).

In Europe, the academic debate on CSR is relatively young but increasingly gaining momentum (Garriga and Mele, 2004). Given the cultural differences that underlie the notion, one can expect differences as to who counts as a legitimate stakeholder and who should consequently be consulted in the process of drawing up and implementing a CSR policy. In Europe, a particular focus has been on the practices of CSR in management education (Mahoney, 1990; Matten and Moon, 2004), the use of CSR (Kolk, 2005; Langlois and Schlegelmilch, 1990), and philanthropic donations for educational, social or environmental causes (Brammer and Pavelin, 2005). As this literature shows, these areas of CSR and their implementation in European companies have only become widespread recently (Pruess, Haunschild, and Matten, 2009).

Given the global expansion of CSR, the concept can be described – in the sense of the neo-institutionalist convergence literature – as an ascendant archetype that is propagated by dominant actors and that is taken as representing best practice (Smith, 2005). At the same time, CSR is still part of a re-shaping of generic capitalist features by national institutions and carries a strong national imprint. It is a corporate response to criticism regarding the role of business in the society that is molded by American society with its emphasis on voluntary action over-regulation. Hence, the transfer to other parts of the globe, such as Europe, where capitalism has been shaped in a somewhat different fashion, is bound to lead to some tensions (Pruess et al., 2009). According to Steurer (2010), the spread and harmonization of CSR across Europe currently depends far more on economic integration, globalization, and societal learning than on political leadership. and respective public policies on CSR since CSR is not only a managerial but also a political concept that transforms relations between businesses, society, and governments.

Recently, following the recommendations outlined in the EU document entitled *A renewed EU strategy 2011–2014 for CSR*, the Spanish Government took a step forward when on 24 October 2014 it approved an important initiative called *Spanish strategy on companies' corporate social responsibility practices 2014—2020* to extend CSR practices not only to listed companies and state-owned business enterprises but to all companies, including SMEs. One of the main goals of the Spanish strategy on CSR (2014) is to link CSR with innovation (Martinez-Conesa,



2017). According to the Romania CSR Index 2015, the country's CSR has also evolved effectively due to CSR driven initiatives, which found that the most CSR active industries are non-alcoholic drinks, beer, gas, and building material (Duca and Gherghina, 2018).

- **CSR in the Middle East**

Until now, CSR has not received the appropriate amount of attention it deserves in the Middle East due to cultural, economic, and social factors. Across the Middle East, philanthropic practices and entrenched forms of indigenous giving have no doubt been crucial to date in alleviating deep-seated social problems.

Islamic philanthropy, strategic philanthropy, and CSR are, therefore, important trends for the region going forward. They are likely to ensure that the private sector is engaged, as it should be, as a vital partner in development through a responsible business framework. What the region also needs is to mobilize different forms of partnership or cross-sector collaboration. This addresses common and complex social challenges or meta-social issues (e.g. clean water, clean air, environmental protection, healthcare, and education). These challenges are seen to have spillover effects on multiple constituencies and multiple stakeholders, yet transcend the boundaries or lie beyond the scope or capacity of a particular or single sector or organization. These new emergent forms of partnership that cross-fertilize the efforts of private, public and non-governmental partners are a pressing imperative for the region at this

critical juncture and will certainly be beneficial in taking CSR in the Middle East forward to the next level of institutionalization, enactment, monitoring, and evaluation (Jamali and Sidani, 2012).

According to Hindiyeh et al. (2012), CSR in the Arab world is based on the Islamic heritage and Islamic customary laws, which call for assisting the needy, nondiscrimination, equal opportunities, accountability, to fight against corruption, and to respect human rights and the environment. Since most corporations in the MENA region are SMEs, they play major roles in economic development, employment, and production (ElGammal et al., 2018).

- **CSR in Palestine**

According to Ararat (2006), CSR in Palestine is generally driven by rational choices of business or political choices by the government rather than by society's expectations or pressure from below.

Social responsibility in Palestine is being applied by principles of Islam such as Charity, Zakah, and Sadaqa. These classifications fall within the categories of helping other and loving humankind but are only being applied to helping Muslim communities according to surveys conducted in that manner, while CSR is interested in the welfare of all humankind regardless of their religion, color, race or any other humankind classifications (Ararat, 2006). Due to the mentioned CSR practices in Palestine, several foreign companies decided to invest in Palestine to promote further CSR initiatives

such as Cisco's (US-based company) affiliations with different ICT companies in Palestine (Tjia and White, 2014).

Other CSR practices are being applied in Palestine through:

- Multinational corporate subsidiaries complying with their corporate policies of CSR.
- Charity activities focused on helping the educational and health sectors.
- Business organizations and business-funded civil society organizations (CSOs).
- Labor and environmental laws.
- Businesses that supply European retailers, as they are forced to comply with international standards and codes.
- Businesses funding local NGOs.

Good corporate governance practices lead to increased demand for transparency and disclosure on issues of social responsibility. In this context, this type of information disclosed in the current environment can be perceived as a strategy of legitimation to increase political pressure by society, especially in the absence of regulation (Rankin et al, 2009). In consequence, arguably strong corporate governance goes beyond the laws or existing regulations (Wieland, 2005). In this sense, disclosure and transparency could be related to corporate governance (OECD, 2004).

To date, no true assessment has been conducted on the Palestinian manufacturing sector to evaluate the use of CSR practices among corporations in this sector. Knowing that the Palestinian economy is a

developing one and such practices are new to this sector, some organizations apply some of these principles in their own way.

In this research, we will try to develop a framework that will allow companies to use the best practices in employing sustainability practices with CSR focus in the manufacturing sector in Palestine.

## **2.4. Sustainability**

Sustainability as a policy concept has its origin in the Brundtland Report of 1987 (Dong, 2016). That document was concerned with the tension between the aspirations of humankind towards a better life on the one hand and the limitations imposed by nature on the other hand. Over time, the concept has been re-interpreted as encompassing three dimensions, namely social, economic, and environmental (Thomas et al., 2012).

Sustainability is defined as “Adopting business strategies and activities that meet the needs of the enterprise and its stakeholders today while protecting, sustaining and enhancing the human and natural resources that will be needed in the future” (Deloitte and Touche, 1992).

The World Business Council for Sustainable Development defines CSR as “The continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large” (Basu, 2016).

With the demand profile changing, companies must now operate in a less secure and more complex environment, forcing their business and manufacturing strategies to cater for a wider range of requirements.

Current newer definitions arose due to the increase of complexity of the economy and the demand for more flexible and less expensive products. Gareis, Huemann, and Martinuzzi (2011) define sustainability with the following principles: economic, social and ecologic orientation; short-, mid- and long-term orientation; local, regional, and global orientation; and value orientation.

The ISO 26000 guideline on social responsibility shows that accountability, transparency, ethical behavior, respect for stakeholders' interests, respect for rule of law, respect for international norms of behavior, and respect for human rights are principles of sustainability. After considering these sets of elements or principles, we conclude six principles of sustainability that will be our guiding principles in the integration of the concepts of sustainability in the manufacturing sector (Moratis, 2016).

Baridu (2010) stresses that in any perception of sustainability in any industrial sector including environmental, operational, energy, health and welfare, safety and security, and financial and family sustainability, sustainability would produce better results in utilizing resources, operational efficiency, and process effectiveness. This, in turn, helps the organization achieve and sustain its competitive position in the market. According to Freeman et al. (2010), the purpose of business is to create value for all stakeholders.

According to Landrum and Ohdowski (2018), corporate sustainability commitment levels can be categorized in one of five stages:

1. Compliance (very poor sustainability commitment). Applying sustainability through external enforcement (regulations, policies, etc.).
2. Business-centered (poor sustainability commitment). Looking at the organizational benefits alone while neglecting other stakeholders, the community, the environment, and the economy.
3. Systematic (medium sustainability commitment). Corporations focusing on the triple-bottom line (environment, economic, and social) to apply sustainability in a systematic manner through the cooperation with other stakeholders.
4. Regenerative (powerful sustainability commitment). Corporations are committed to fixing the harms and damages caused by previous industrial eras.
5. Coevolutionary (Very powerful sustainability commitment). Corporations understand and establish partnerships with others and start giving as much as taking.

#### **2.4.1. Sustainability's three bottom lines**

Sustainability's bottom line or the three pillars of sustainability are social, environment, and economic pillars. The social pillar concerns the social element of the industry and the whole targeted area population and the environmental aspect concerns all the issues that have direct and indirect effects on the nature and the natural flow of things. The three bottom lines are realized to be affecting one another.

The urgency of the triple bottom line arises from a new realization brought to global awareness by earth science and the yearly changes around us. The world has entered a new era, indeed a new geological epoch, in which human activity has come to play a central and threatening part in fundamental earth dynamics (Sachs, 2012).

Thus, the following presents an overview of the evolution of each of the three pillars:

- **Evolution of Social Sustainability**

The social dimension has commonly been recognized as the weakest ‘pillar’ of sustainable development, notably when it comes to its analytical and theoretical underpinnings. While increasing attention has lately been paid to social sustainability (Lehtonen, 2004), there has been a resurgence of interest towards the social dimensions of development, which can be attributed to the fall of communism, the ostensible difficulties of creating market institutions in transitional economies, the financial crises in Latin America, East Asia, and Russia, and the persistent problems of unemployment and social marginalization in even the most prosperous economies (Woolcock, 2001).

- **Evolution of Environmental Sustainability**

The concept of environmental sustainability essentially deals with preserving the natural resources of this planet not only for the present but also for the future generations. In the 1960s and 1970s, extensive research indicated that human and corporate activities have arguably had a major contribution towards leaving the natural environment in a disastrous state.

While the foundation of sustainability problems can be traced to political and cultural issues (Hart, 1997), corporations and their activities have certainly had a significant impact on the environment. Companies rose to the challenge of environmentally thoughtful stewardship, as society at large started to demand a cleaner environment (Hoffman, 2000). In the 1990s, people who were fundamental in the environmental movement began to involve corporations in the subject of environmental sustainability to change the mental framework of companies and their mission.

While corporations started to embrace the subject and undertook sustainability initiatives, the subject of social sustainability was essential to fulfill the need of achieving environmental sustainability as well. For example, The Natural Step (a non-profit environmental education organization working to build an ecologically and economically sustainable society) introduced social awareness as an integral component, identifying four conditions required to achieve a sustainable society:

- Nature must not be subjected to systematically increasing concentrations of substances extracted from the Earth's crust
- Nature must not be subjected to systematically increasing concentrations of substances produced by society
- Nature must not be subjected to systematically increasing degradation by physical means



- The ability of humans to meet their needs worldwide must not be systematically undermined (Robert, 2003).

Looking at the four conditions, three of them are clearly relatable to environmental conditions while the fourth condition is vague in terms of the social issue. The first three state that “nature must not be subjected to ...” followed by specific, if complex, requirements. What can be determined from this is that if an action violates a condition, this can be clearly defined and understood. The fourth condition does not really define what the meaning of the object of the condition is. To comprehend whether an action actually violates a condition, one must not only know about the action but also understand what it means to hurt the ability of humans to meet their needs.

This shows that social sustainability has perhaps been conceived as a weak idea and has probably been attached to the TBL framework as an afterthought (Monevaa et al., 2006). Another school of thought is perhaps the social systems are so different from the environmental systems that creating a similarity or linkage between the two is almost impossible. For businesses, the idea of social sustainability is implemented into the reporting system to allow them to continue to operate by developing good relations with their employees, unions, supply chain partners, etc. (Adams and Frost, 2008). One option used by managers is to reduce the social resources into measurable terms and find ways to maximize the potential of these resources. Hawken et al. (1999) attempt to broaden this perspective of human or social capital by defining it as one of four primary ‘types’ of capital: natural,

manufactured, financial, and human. Organizations become sustainable when these four types of capital are managed effectively (Hawken et al., 1999). Social capital, for example, is definitely a profit generator for companies and, hence, needs to be measured, evaluated, and treated with care. Thus, social sustainability is completely different to environmental sustainability. The focus of social sustainability differs from environmental sustainability in that the measurement of social indicators becomes harder to define. This leads to the concept of the TBL approach and how the TBL attempts at measuring all three dimensions.

- **Evolution of Economic Sustainability**

Economic sustainability is one of the most critical issues facing manufacturers today (Found et al., 2006). Continuing the expansion of economic and industrial activity in most countries in the region for at least the next several decades will mean that the cumulative effects of using energy, materials, and natural resources and the burdens on the waste-assimilation capacities of local and regional ecosystems will continue to grow and will profoundly transform the way the industry develops (Lebel et al., 2002).

- **Limitations and Barriers to the application of sustainability**

Many limitations or problems of the TBL approach can be articulated (Freudenberg and Keating, 1982; Burdige and Vanclay, 1995; Dale et al., 1997; Vanclay, 1999). The research shows that the social indicator of the TBL approach should not be looked at as a deciding factor. In economics, methods like cost-benefit analysis can be used to provide a dollar value,

which gives a simple decision. However, the social indicator leads to outcomes that are shared by other variables and not accumulated like a profit or loss number. Social impacts cannot be precisely defined since the effects they have on the community and individuals is varied. Sustainability reports by organizations in the Dow Jones Sustainability Index showcase this problem explicitly. Social information is squeezed. For example, Toyota, one of the more sustainable organizations, has a section of its report dedicated to social performance. They measure the number of employees, turnover rate, employee satisfaction, etc. The reason for this is not only to comply with the GRI but also to get ranked in the DJSI; these indicators are a necessity for inclusion. However, these are HR indicators reframed to be social by representing the companies' value to the community as a good employer. Companies like Toyota do not focus on final social outcomes, e.g. what the lack of turnover does for local employment levels and how it boosts the social capital of the community. For the social indicator to be truly effective in its role of minimizing impacts and maximizing benefits through development and mitigation mechanisms, it needs to be simplified and must be considered as a process of management change. TBL is seen as a decision algorithm and, therefore, fails to deal with the process issues.

Capitalism is perhaps the fundamental barrier in terms of trying to push companies to think sustainably. The TBL does not necessarily regulate companies. Instead, by falling victim to capitalism, the TBL approach pushes social pressures to economics and re-orientes corporate behavior and actions

through institutional pressures. The institutional theory is relevant at this stage to examine TBL's impact on the market today and to see if the future change can be forecasted. Nobel laureates in economics such as March and Olsen (1995) define institutions as "the rules of the game of a society, or more formally, [as] the humanly devised constraints that structure human interaction". The enforcement characteristics of both formal rules, such as common law and regulations, and informal constraints set by humans constitute institutional theory (North, 1992). The concept of normative institutional theory ascertains the fact that institutions, whether it is companies, watchdogs, or even the reporting systems, will change and evolve and react to changes in the external environment. This can happen through reforms, guidelines, and more scrutiny. The proof of this theory is shown in the sudden rise of independent watchdog agencies and the desire of companies to try and make their corporate reports into CSR reports. For example, the release of the Australian stock exchange's 75-page guideline blueprint in 2000 was an attempt to give guidance to self-regulation, emerging as it did from the turmoil of corporate scandals and collapses.

A deficiency still present in the current sustainable reporting system is the lack of systems thinking, especially when trying to link management interrelation occurring within the organization on one or other dimensions of sustainability, or a cause-effect sequence between inefficiencies in HR and ecological sustainability. For example, the GRI has an indicator for HR. The impact of investing in an organization's HR has been theorized to have an impact on the organization's ecological sustainability/footprint (Dunphy et

al., 2003). However, there is no measurement system that captures this correlation. Watson Wyatt has a Human Capital Index, which shows that if an organization is doing better with its human capital, it will also be better in its returns for its shareholders (Wyatt, 2009).

Because sustainability is an essentially integrative concept, it is reasonable to design sustainability assessment as an essentially integrative process that can act as a framework for better decision-making on all undertakings, such as policies, plans, and programs as well as physical undertakings, which may have lasting effects (Gibson, 2006). The TBL approach is difficult to measure. Under the social indicator, the measurement of metrics such as loyalty and charitable donations is complex; hence, it is hard to determine changes in these areas especially in the short term. Recent research has shown that companies implementing TBL are actually trying to change the way in which they do business (Kimmitt and Boyd, 2004). Today, the benefits and costs are tested against a company's financial position. When a company is faced with the decision of implementing a reporting system, it must make choices, for example, how many resources are required, selecting the technique for measurement and the measurement approach (whether developed by the company or whether using an external source such as environmental consultants). The current state of this issue is that the measurement systems in practice today use the method of trial and error, as there is no one hugely accepted reporting system. The aggregation claim states that a social net profit or loss can be calculated once the data from indicators mentioned in the measurement claim have been gathered and a

formula can then be used to derive the social net profit or loss (Norman and MacDonald, 2003). This sounds analogous to a financial net profit or loss; however, deriving a social net profit or loss for an indicator as complex and qualitative as the social indicator is absurd. The social and environmental performance of each organization and industry is unique and is extremely difficult to quantify (Hubbard, 2006). The major problem with the claims and measuring social performance is the distinction that needs to be made between quantitative and qualitative analysis. Determining how good or bad an action is can be a qualitative result of a social impact of corporate activities. Hence, using the TBL approach to make a qualitative result into a quantitative figure poses a huge misrepresentation of how the future development process needs to be shaped (Sridhar, 2010).

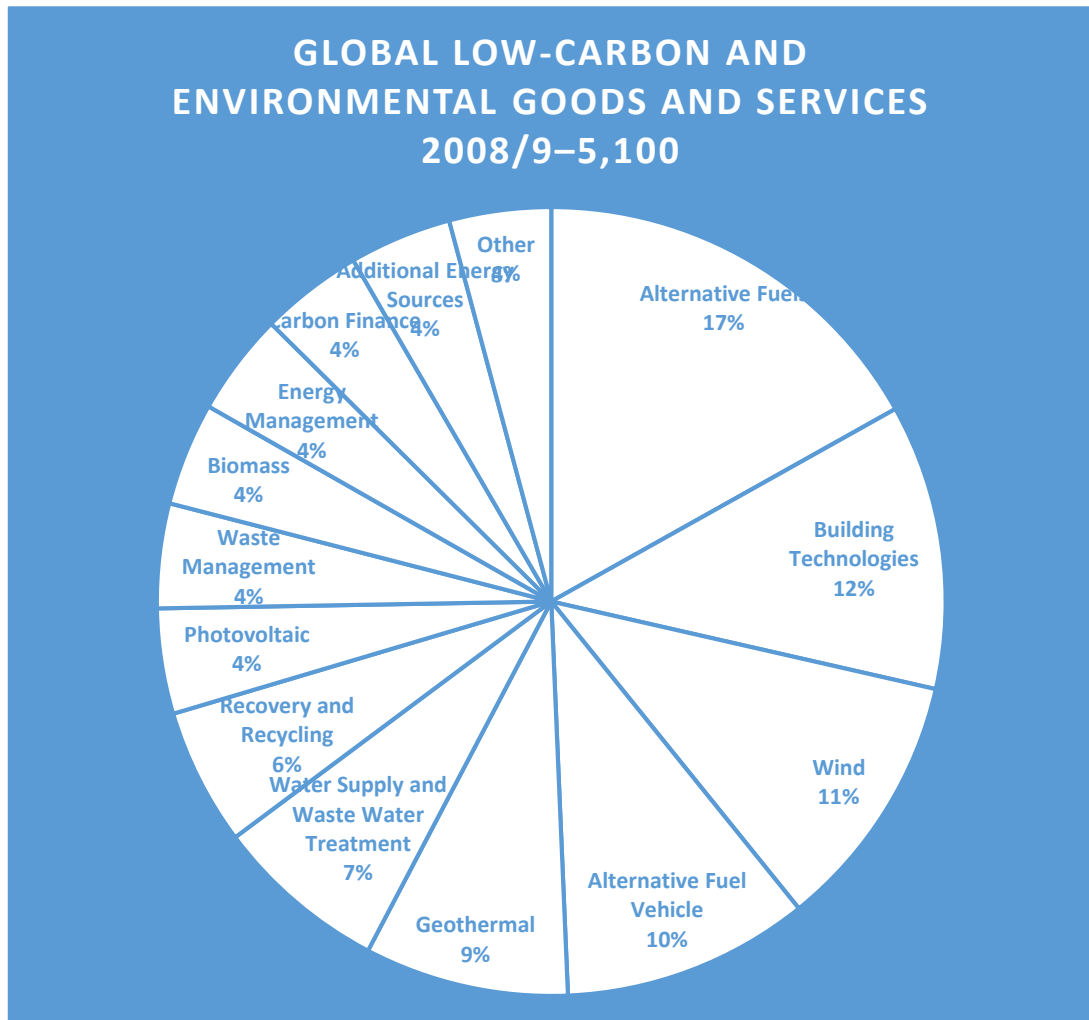
#### **2.4.2. Global Trends in Sustainability**

The increase in the worldwide challenges concerned with sustainable development involves social, environmental and economic concerns. These challenges have implications that affect the whole organizational strategy and its business model. However, most managers deal with sustainability not as a multidimensional opportunity, but as a one-dimensional nuisance that involves new liabilities, costs, and regulations, which make the organization ill-equipped to deal with sustainability from a strategic perspective. Thus, we are required to build a sustainable-value framework that connects the challenges of global sustainability to the creation of shareholder value by the firm (Hart and Milstein, 2003). However, if companies do not have a tangible

commitment to corporate sustainability management, they may suffer from a potential decline in reputations and sales (Siegel, 2009).

Due to the dominance of capitalism that increased the gap between rich and poor, the idea of sustainability has come to represent these rising expectations for social and environmental performance. Global sustainability has been defined as the ability to “meet the needs of the present without compromising the ability of future generations to meet their needs.” Similarly, sustainable development “is a process of achieving human development in an inclusive, connected, equitable, prudent, and secure manner.” A sustainable enterprise, therefore, is one that contributes to sustainable development by delivering simultaneously economic, social, and environmental benefits – the so-called triple bottom line (Hart and Milstein, 2003). Although studies on corporate social responsibility and ethical behavior in business are not new, these kinds of studies are more necessary and relevant when sustainability undeniably becomes one of the increasingly important operation management issues faced by many companies. Sustainability has become a key agenda for every industry due to the growing environmental challenges, increasing awareness of social responsibility, and the need to maintain profitability (Pan, 2016). Figure 3, represents the global

low-carbon and environmental goods and services showing the potential of CSR and sustainability-driven corporations in the global market.



**Figure 3** Global Low-carbon and Environmental Goods and Services 2008/9–5,100

Adapted from Janicki, 2012

- **Sustainability in Europe**

While downstream environmental protection – with classic clean-up technologies – creates additional costs, resource-saving technologies can reduce costs, thus, increasing productivity. This is an essential difference that is easily overlooked when evaluating rigorous and complex



environmental protection measures. This fact is also part of the difference between these two varieties of the environmental industry: In developed economies like Germany, the importance of downstream environmental protection techniques is decreasing. At the same time, the importance of resource-saving technologies – renewable energy, energy efficiency, recycling, etc. – is growing dynamically. Roland Berger predicts high global growth rates for resource efficient technologies by 2020, including for waste separation (15%), energy-efficient vehicles (29%), and up to 35% for bio-plastics (BMU, 2009).

Table 1, shows Germany’s environmental sector’s dynamical growth; it does not only have high competitiveness but has also developed a high pace of innovation. A growing number of industrialized and emerging countries now take part in this global market. This competition has led to intensive innovation.

**Table 1 Green Tech“ Germany: Market Share and Annual Growth Rates.**

	Global market share (in%)	Annual growth 2005–2007 (in%)	Forecasted annual growth 2008–2010 (in%)
Renewable Energy	30	29	35
Energy Efficiency	12	20	22
Eco-efficient Materials (bio-tech, etc.)	6	21	24
Recycling	24	18	16
Sustainable Water Management	10	15	14
Sustainable Mobility	18	15	17

Consumers respond differently toward corporate sustainability depending on the information they perceive. Recently, the majority of European companies reported their sustainable activities (Stolz, 2014). Because many companies tend to only communicate the good things they do, consumer trust of corporate communication is low (Mohr and Webb, 2005). Sen and Bhattacharya (2001) have found that perceived negative information about CSR has stronger effects on the consumer than perceived positive information. The difficulty consists in answering which and how sustainability information should be communicated to satisfy the consumers' information needs (Arvidsson, 2010).

- **Sustainability in the Middle East**

Middle Eastern cultures, particularly those that are Muslim, have adopted a conceptualization of progress that differs from that followed by Western culture. Changes in political paradigms also occur in Middle Eastern culture, but these changes remain at the edges of political regimes rather than forming the core belief that is considered the basis for well-being. Muslim communities believe that their rules and laws must be attached to the teachings of God rather than based on human rationality.

These divine teachings are not solutions but have constituted a set of principles and guidelines that naturally evolved to cope with human needs over time. The role of professionals and tradespeople is accordingly embedded in the building process, and (with rare exceptions) there is no obvious professional intervention. Instead, the role of professionals is to apply these core cultural principles to the built form, which underlie the

sustainability of the social environment in Middle Eastern cities in a collective and socially responsive manner that drives the bottom-up development of solutions. The religious, political, and cultural ideologies applied in these traditional cultures are, therefore, similar but take slightly different forms and interpretations. For example, the idea of giving power to users of urban spaces through an ideological value such as the avoidance of harm has been accepted by Middle Eastern cultures but could be rejected under the precept of Western rationality. Western culture may only accept such an idea when values are applied in the built environment through the control and management of spatial and urban morphology. City councils and their representatives, including professionals and architects, take this power and responsibility from individuals, arguing that they alone can deliver good analyses and proper environmental proposals (Mohammad, 2010).

- **Sustainability in Palestine**

Sustainability is a new concept in the Palestinian context and is being applied through donors' projects with the Palestinian food manufacturing sector, as some companies adhere to some sustainability standards for the product to be well marketed for the European buyer, for example, some food sector manufacturers in Palestine have organic certification.

This research will focus on CSR and the social pillar of the sustainability Triple-P and how it will affect the other pillars of sustainability (i.e. economic and environmental pillars).

## **2.5. Sustainable Development (SD)**

The words “sustainability” and “sustainable development” are often used interchangeably (Afzal, 2017). Sustainable development (SD), although a widely used phrase and idea, has many different meanings and, therefore, evokes many different responses. In broad terms, according to the World Commission on Environment and Development, SD is the procedure of advancing the command on investment, the utilization of corporation assets, and the arrangement of technological development (Singla et al., 2018). SD is a fundamental and overarching objective of the European Union, enshrined in the EU treaty. In 1999, the European Commission presented a proposal for a long-term strategy dovetailing policies for economically, socially and ecologically sustainable development (European Council 1999). The Sustainable Development Strategy (SDS), which was first proposed by the Commission in May 2001, singled out a number of objectives and measures for future policy development in four priority areas: climate change, transport, public health, and natural resources (EC COM 264, 2001). Sustainable development (SD) is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs (Kuhlman and Farrington, 2010).

The EU Sustainable Development Strategy (EU SDS), launched by the European Council in Gothenburg in 2001 and renewed in June 2006, aimed for the continuous improvement of the quality of life for current and future generations.

In 2006, the European Council adopted a renewed SDS that sets out a single, coherent plan on how the EU will more effectively live up to these principles and the overarching objective of sustainable development enshrined in the Treaty. The plan consists of seven key challenges that must be tackled if Europe is to move along a sustainable development path and maintain current levels of prosperity and welfare (Council of the European Union, 2006).

In recent years, the European Union has mainstreamed the objective of SD into a broad range of policies. The EU SDS, as revised in 2006, is a framework for a long-term vision of sustainability in which economic growth, social cohesion, and environmental protection go hand in hand and are mutually supporting (EC COM 400, 2009) (Chatzinikolaou and Manos, 2012). According to Hopwood et al. (2005), the concept of sustainable development is the result of the growing awareness of the global links between mounting environmental problems, socio-economic issues to do with poverty and inequality, and concerns about a healthy future for humanity. Sustainable development is often divided into environment, economy, and society, and the three sectors are often presented as being interconnected rings. In most debates about sustainable development, either the environment or the economy is given priority although the Local Agenda 21 agreements at the Rio Conference included issues to do with social and economic development, strengthening participation, and the means of implementation (Giddings, 2002).

Since the social aspect has not been assessed nor been given enough attention in the previous study, this study will focus on the social dimensions and its effect on the other pillars of sustainability.

## **2.6. Millennium Development Goals (MDGs)**

The eight United Nations Millennium Development Goals (MDGs) form a blueprint agreed to by all the world's countries and all the world's leading development institutions. The MDGs mark a historic and effective method of global mobilization to achieve a set of important social priorities worldwide (Sachs, 2012). These MDGs were developed to meet the needs of the world's poorest. Over halfway to a 2015 deadline, there was a clear progress towards implementing the MDGs, but their overall success was far from being assured depending to a large extent on whether developed countries made good on their aid commitments (Lozano et al., 2011).

This meeting produced 8 different general goals:

1. To halve extreme poverty and hunger.
2. To achieve a universal primary education.
3. To empower women and promote equality between women and men.
4. To reduce under-five mortality rates by 66%.
5. To reduce maternal mortality rates by 75%.
6. To reverse the spread of diseases, especially HIV/AIDS and malaria.
7. To ensure environmental sustainability.
8. To create a global partnership for development, with targets for aid, trade, and debt relief.

Some of the previously set goals were achieved partially and many were not; the reason was that these eight goals address the contextual issues and have not tried to address and follow the root of each of these problems. This is

where Sustainability Development Goals (SDGs) came along to solve the previous problems of the MDGs.

## **2.7. Sustainable Development Goals (SDGs)**

The United Nations Rio+20 summit in Brazil in 2012 committed governments to create a set of sustainable development goals (SDGs) that would be integrated into the follow-up to the millennium development goals (MDGs) after their 2015 deadline. The summit discussions on how to formulate these continued at the UN headquarters in New York (David et al., 2013).

The SDGs are an important idea and could finally help to move the world to a sustainable trajectory. The detailed content of the SDGs, if indeed they do emerge in upcoming diplomatic processes, is very much up for discussion and debate. Their content, I believe, should focus on two considerations: global priorities that need active worldwide public participation, political focus, and quantitative measurement, and lessons from the MDGs, especially the reasons for their successes and corrections of some of their most important shortcomings (Sachs, 2012). Based on Loewe (2012), the following are the 17 agreed upon SDGs to be achieved by 2050:

1. End poverty.
2. Food security and nutrition and sustainable agriculture.
3. Clean water and sanitation
4. Affordable and clean energy
5. Industry, innovation, and infrastructure.
6. Reduce inequality within and among countries.

7. Sustainable cities and human settlements.
8. Health and population
9. Economic growth; full and productive employment.
10. Life below water.
11. Life on land.
12. Combating climate change.
13. Sustainable and responsible consumption and production
14. Quality education
15. Gender equality and the empowerment of women
16. Peace, justice, and strong institutions.
17. Revitalization of the global partnership for the proposed development.

Following the adaptation of the 17 SDGs, more than 169 targets were set. There were several attempts to create a set of indicators (at least one for each target), for example, the Sustainable Development Solutions Network report proposed 84 indicators for health-related targets (Benner, 2015).

## **2.8. Sustainable Manufacturing**

Manufacturing processes involve the conversion of raw materials into finished products with specific shape, structure, and properties to fulfill certain requirements. This conversion into finished products is accomplished using a variety of manufacturing processes that utilize energy to produce controlled changes in the configuration properties of materials. The energy applied during processing may be mechanical, thermal, electrical or chemical in nature. The results are meant to satisfy functional requirements



that were defined during the product design stage. With growing concerns towards sustainability, and sustainable manufacturing in particular (Mani et al., 2014), and according to the International Trade Administration (2013) sustainable manufacturing is defined as the creation of manufactured products that use processes that minimize negative environmental impacts, conserve energy and natural resources, are safe for employees, communities and consumers and are economically sound (Mani et al., 2014).

In the recent decade, there has been increased pressure on manufacturing companies to think beyond the economic benefits of their processes and products and consider the environmental and social effects. It has thus become the goal for manufacturers to promote manufacturing processes and manufactured products that minimize environmental impacts while maintaining social and economic benefits. This desire has been extended by many customers, who wish that their products be created in a sustainable manner (MIT Sloan Management Review, 2011).

According to Singh et al. (2018), Sustainable manufacturing practices requires the formulation of strategies, these strategies success depends on the following aspects:

1. The development of an agile set of indicators.
2. Conducting performance evaluations.
3. System adjustments.

## **2.9. Corporate Social and Environmental Responsibility**

The last decade has witnessed a momentum of corporate social and environmental responsibility (CSER) practices in Western European countries to improve the social and environmental performance of organizations (Passetti et al., 2014; Rinaldi et al., 2014). Prior research has explored organizational motivations for CSER, predominantly examining managerial perceptions in both developed and developing country contexts (See for example, Deegan et al., 2002; Adams, 2002; Qian et al., 2011; Islam and Deegan, 2008; Belal and Owen, 2007; de Villiers and Van Staden, 2006; Milne and Patten, 2002; Deegan and Rankin, 1996; Cooke and He, 2010). However, a limited number of studies have focused on stakeholders' perceptions of CSER despite calls for the examination of non-managerial stakeholders' views (See, for example, Unerman and Bennett, 2004; O'Dwyer, 2002, 2003, 2005; O'Dwyer et al., 2005).

The extant CSER literature primarily focuses on the benefits of CSER, such as reputation, firm performance and customer/employee satisfaction (Galbreath, 2010; Gray and Balmer, 1998) and considers organizational/managerial motivations for CSER, concluding that seeking legitimacy and stakeholder pressure play an important role in shaping the practice (Roberts and Dowling, 2002; Bebbington et al., 2008). However, the perception of CSER practices differs between managers and stakeholders, as their interests are not the same. Managers primarily focus on positive issues to increase the organization's corporate image and reputation. Earlier empirical studies that have taken a stakeholder perspective tend to examine the views of investing stakeholders (Tsoi, 2010; Jamali, 2008). These stakeholders use social and

environmental reporting to improve their decision making and the stakeholder perspective suggesting that an organization acts in a socially responsible manner when its decisions and actions account for, and balance, diverse stakeholder interests (Jones, 1995).

Whilst managerial perceptions provide an understanding of how CSER practices can benefit an organization and assist in the achievement of its strategic and operational objectives through social and environmentally friendly manner, this view is an organizational perspective. By contrast, the non-managerial stakeholder perspective provides an external view of the organization and highlights how CSER practices can potentially satisfy broader stakeholders' expectations. In a world of globalization, it has been argued that in formulating CSER strategies, organizations develop an increased interest in localized and cultural matters, such as ethics, corruption, bribery, and child labor issues (Welford, 2005). This increased interest, in addition to views from its diverse stakeholders on CSER, would potentially offer insights into their influence on organizational CSER decisions and reporting. Deegan and Islam (2014) argued that stakeholders are more aware of CSER because they are key recipients of CSER benefits and are in a position to highlight emerging issues, such as unsafe workplaces, unfair work practices, and so on (Hossain et al., 2016).

#### **2.10. CSR and Sustainability effects on corporate image**

CSR or sustainability are being reported among 90-95% of the world's largest corporations (Landrum and Ohdowski, 2018).

The corporate image describes the way a company, its activities, and its products or services are perceived by outsiders. In a competitive business climate, many businesses actively work to create and communicate a positive image to their stakeholders. The objective of managing corporate image is to communicate the company's identity to those stakeholders that are important to the firm in such a way that they develop and maintain a favorable view of the company. In the process of managing corporate image, the fundamental variables are corporate identity, corporate communication, corporate image, and feedback (Kwarteng et al., 2016).

In the wake of corporate scandals, increasing awareness of environmental problems and social inequality, the demands on companies to act responsibly and account for issues beyond financial dimensions and shareholder wealth steadily increases. More than ever, people assess firms and brands on account of more than the product offering. Studies indicate that consumers increasingly consider CSR as something important, raise their expectations on firms to behave responsibly, and are interested in knowing about how firms deal with CSR (Dawkins and Lewis, 2003; Schmeltz, 2012). Similarly, performance related to social and environmental responsibility recurs as an important dimension in corporate reputation indexes and rankings (Bebbington et al., 2008).

From a company perspective, the increased focus on sustainable development and CSR reveals the importance of mastering CSR as well as CSR communications to manage organizational legitimacy (Johansen and Nielsen, 2012), avoid critical brand damage, keep positive reputations, and

maintain competitiveness in the market (Polonsky and Jevons, 2006). Bebbington et al. (2008) specifically portray CSR reporting as an outcome and part of reputation risk management. In line with this development, firms are not only pursuing CSR strategies but also increasingly try to compose convincing CSR communication (Bebbington et al., 2008; Kolk, 2008, Kolk and Lenfant, 2010) that portray the firm's conformance to legislation and voluntary agreements and simultaneously emphasize a unique CSR strategy (Johansen and Nielsen, 2012). Ellerup-Nielsen and Thomsen (2007) provide examples of great variation among firms regarding how and what they choose to communicate in this area. This further supports the notion that companies rely on CSR communication to position themselves towards several and different stakeholder groups (Blomback and Scandeliuss, 2013).

## **2.11. CSR and Sustainability in Manufacturing**

CSR and sustainability are concerned with the inside and the surroundings of the company, namely, work management, human rights, societal commitments, customers' issues and business practices (Garbie, 2015).

Economic sustainability embraces general aspects of an organization that must be respected to remain in the market for a long time. These aspects include innovation and technology (Baumgartner and Ebner, 2010). Social perspective requires that companies act responsibly toward consumers, investors, and the government and responsibly manage internal firm affairs by motivating employees in ways that create value for the company (Eesley and Lenox, 2006; Freeman et al., 2010).

Introducing a new framework for business development considering sustainability in manufacturing and services, which identifies the main challenges of economic stability considering indicators a sustainable manufacturing corporate (Garbie, 2015). Large local and global corporations have been developing their capabilities required to achieve sustainable manufacturing over the past decade (Singh et al., 2018)

Due to the importance of sustainability, many sustainable frameworks that consider the internal and external human factors, social performance, stakeholder engagement, and life cycle assessment have been utilized to find the difference between the different categories: labor, local communities, and society. Calculating the environmental cost using environmental activity products and waste costing (environmental cost accounting) to reduce waste and ensure better productivity and quality will lead to better sustainable practices. Evaluating the performance of synthetic sustainable production indicators will be done using a fuzzy measure and analytical network process (ANP). Proposing a framework for sustainability assessment of operations in the manufacturing sector. Developing a tool to assess and improve the performance of sustainability indicators (Garbie, 2015). In addition, Kannegiesser and Gunther (2014) proposed three optimization models for sustainability with a focus on environmental issues considering costs and emissions.

Another concept emerged to deal with the effects of manufacturing on the three pillars. Sustainable manufacturing practice (SMP) is considered the foundation of clean production with minimum harm to the environment.

SMP introduces a maximum capability for energy and natural resources preservations, which is also economically feasible and safe for all stakeholders including staff and consumer. This concept promotes the well-being of all stakeholders in addition to improving the environment and the economic position of the corporation. SM (sustainable manufacturing) is the integration between manufacturing processes and components with the three pillars of sustainability, which aims for achieving sustainability in corporate manufacturing production processes. The development of sustainability and SM concepts affected the evolution of SMP practices starting with its technological applications, pollution treatment, and other production systems that go through functional areas within a company. With the development of SM, SMP can be defined as corporation practices considering the three pillars of sustainability (environment, economic and social) in operational and business activities. There are two different types of SMP; internal and external. Internal SMP considers more deeply sustainable practices inside the firm while external SMP is about the inter-organizational practices in the value system and beyond the chain of production to enhance environmental, economic, and social sustainability (Hami, Muhammad, and Ebrahim, 2015).

Over the years, several business improvement strategies, methodologies, tools, and techniques have been proposed and developed, aimed at enhancing the productivity of organizations. Total Quality Management, Business Process Re-engineering, Just-In-Time and “Lean”, “Agility” and Six Sigma are just a few examples. Despite the reported success of these initiatives in

the forms of increasing profits and market share for the adopting companies, there are still a sizeable number of companies battling to keep their heads above the turbulent waters (Hines, 2004). The result of failing to embed the strategy correctly into these companies often is that any improvements are lost as initiatives are abandoned and shop floor employees regress to previous methods of working (Thomas, 2009).

A shift towards sustainable manufacturing is impossible if the actors within the manufacturing industry itself are not committed to change. In other words, sustainability policies that recognize business as part of the solution and create the right incentives, enabling the industry to adapt and remain competitive globally, are required. A recent executive study illustrated that companies' perceptions about sustainability are changing. As in the past, company representatives see the potential for supporting a corporate's reputation, but recently, they have also come to expect operations- and growth-oriented benefits in cutting costs and pursuing opportunities provided by new markets and products (Bonini, 2011).

## **2.12. Measurements and tools used in determining the level of CSR employed by organizations**

According to Carroll (2000), CSR should be measured because "it is an important topic to business and to society, and measurement is one part dealing seriously with an important matter. The real question is whether the valid and reliable measure can be developed" (Carroll, 2000, p. 473). There are a variety of measurement techniques to measure CSR in both academics



and business communities (Turker, 2009). The methods used in past studies include forced-choice survey instruments (Aupperle, 1985), reputation indices or scales (McGuire et al., 1988), content analysis (Wolfe and Aupperle, 1991) and case study methodologies (Clarkson, 1995). Maignan and Ferrell (2000) have suggested three approaches measure CSR: (1) expert evaluation, (2) survey of managers, and (3) single issue and multiple issue indicators. However, as suggested by Wolfe and Aupperle (1991), there is no single best way to measure socially responsible activities. The approaches that have been found useful to measure CSR include content analysis of publication, single and multiple issue indicator, reputation indices or scales at the individual and organizational level.

The content analysis has been the most commonly used method to measure CSR in the academic literature (Tewari, 2011) since it helps derive a new measure for socially responsible activities (Abbott and Monsen, 1979). This technique has an “objective rating of companies since once the social attributes are selected, the process of the rating is standardized” (Ruf et al., 1998, p. 121). Information about CSR has become more accessible due to the social disclosure made by companies regarding their social and environmental practices (Gray et al., 1995). Many studies in the literature on CSR reporting have used this technique to measure the CSR activities (Bravo et al., 2012). However, the information displayed on their websites and annual report may deviate from their actual performance (McGuire et al., 1988). Many studies have provided evidence of no association between the

reported performance and actual performance (Ingram and Frazier, 1980; Wiseman, 1982).

The reputation indices for evaluating corporate social performance are widely used in the literature (Spencer and Taylor, 1987; McGuire et al., 1988; Waddock and Graves, 1997). The most popularly known databases are Fortune's reputation index and Kinder, Lydenberg, and Domini (KLD) (Maignan and Ferrell, 2000). The Fortune index assesses a company's socially responsible activities from the managerial point of view. KLD evaluates companies based on nine attributes of social responsibility including employee relation, community relations, environment, military contracting, nuclear power, product, treatment of women and minorities, and South African involvement (Maignan and Ferrell, 2000; Turker, 2009). These reputation indices can be used to develop a new scale for measuring CSR (Abbott and Monsen, 1979). Ruf et al. (1998) developed a scale based on the importance of the KLD dimensions and argued that these dimensions coincide with Carroll (1979) framework of CSR.

However, Maignan and Ferrell (2000) stated that both indices suffer from limitations since the items are not based on theoretical arguments and do not represent the economic, legal, ethical, and philanthropic dimensions of CSR (Maignan and Ferrell, 2000).

The next alternative approach used by many scholars is the use of a single-issue indicator such as pollution control performance (Bragdon and Marlin, 1972) or the rate of corporate crime (Davidson and Worrell, 1990; Baucus and Baucus, 1997) and multiple issue indicators (Stanwick and Stanwick,

1998; Griffin and Mahon, 1997). The limitation of these methods is that they represent only one dimension (Maignan and Ferrell, 2000). As a result, scholars must use a combination of these indicators (Griffin and Mahon, 1997; Stanwick and Stanwick, 1998; Turban and Greening, 1996), which still does not represent the entire spectrum of CSR (Maignan and Ferrell, 2000). Moreover, these indicators are not accepted worldwide and are reporting the CSR activities of companies only in a limited number of countries. This becomes the reason for their limited use (Fatma et al., 2014).

### **2.13. Measurements and tools used in determining the level of sustainability employed by organizations**

Despite the plethora of literature in sustainability and supply chain management in the recent years, a quantitative tool that measures the sustainability performance of an industrial supply network, considering the uncertainties of existing data, is hard to find.

Shokravi and Kurnia (2014) attempted to establish a quantitative measure for the sustainability performance of industrial supply networks that consider random and epistemic uncertainties in its environmental performance evaluation. The measure is built upon economic, environmental, and social performance evaluation models. These models address several shortcomings in the literature, such as incomplete and inaccurate calculation of environmental impacts, as well as the disregard for random and epistemic uncertainties in the input data and, more importantly, the scarce number of quantitative social sustainability measures. Dyadic interactions are chosen

for the network while the network members have a revenue-sharing relationship. This relationship promotes sharing of the required information for the use of the proposed model. This measure provides an approach to quantify the environmental, social, and economic sustainability performances of a supply network. Moreover, as this measure is not specifically designed for an industrial sector, it can be employed over an evolving and diverse industrial network.

A growing number of tools for management and monitoring of sustainable development have gained worldwide acceptance in the last decade, like ISO 14001, the Life Cycle Assessment (LCA), Ecological footprints, Sustainable Technology Development, Natural Capitalism, and The Natural Step Framework. These have been supported by several organizations and programs (Hutchins and Sutherland, 2008).

There are several approaches to inter-organizational management that support sustainability, including industrial ecology, lifecycle management, integrated chain management, and green/environmental/sustainable supply chain management. Each of these concepts is concerned with the environmental impacts of material flows within a specified system boundary and timeframe. A Life Cycle Assessment (LCA) can provide information related to the impacts of a product or service. An LCA considers such life stages as raw material extraction, material processing, manufacturing, distribution, use, and disposal options (e.g. recycling). As noted above, the pursuit of sustainability requires an inclusive view of impacts across the life cycle, and environmental life cycle assessment is becoming an increasingly

effective tool for determining ecological impacts. Life cycle costing (LCC), though not fully developed, seems to be a likely candidate to address the economic impacts of products and services across their life cycle; Norris (2001) provides a comparison of environmental LCA and LCC. A few attempts have been made to construct social life cycle assessment (SLCA) tools, which integrate social impacts into LCA, but these efforts have tended to focus on social measures that are closely linked to environmental issues (e.g. human health) as opposed to the impacts on the culture and institutions of a society (Hutchins and Sutherland, 2008).

The most popular reporting frameworks are the global reporting initiatives (GRIs) presented in Table 2, namely, the Dow Jones Sustainability Index and ISO 26000. GRI is a leading guideline for creating sustainability reports and for analyzing firms' sustainability performance (Afzal et al., 2017). GRI standards are followed by thousands of organizations in more than 90 countries, and more than 40 countries reference the GRI standards in their policies (Global Reporting Initiative, 2017).

**Table 2 Sustainability Performance Indicators Adopted by Global Reporting Initiatives**

#	Sustainability Dimension	Performance Indicators
1	Economic	<ul style="list-style-type: none"> <li>a. Financial performance</li> <li>b. Market presence</li> <li>c. Indirect economic impacts</li> </ul>
2	Social	<ul style="list-style-type: none"> <li>a. Labor practices and decent work</li> <li>b. Human rights</li> <li>c. Community</li> </ul>
3	Environmental	<ul style="list-style-type: none"> <li>a. Product responsibility</li> <li>b. Materials</li> <li>c. Energy</li> <li>d. Water</li> <li>e. Biodiversity</li> <li>f. Emissions and waste</li> <li>g. Products and service</li> <li>h. Compliance</li> <li>i. Transport</li> </ul>

**Note.** Adapted from Afzal, F., Lim, B., & Prasad, D. (2017). An investigation of corporate approaches to sustainability in the construction industry.

## **2.14. Summary**

In summary, sustainability and CSR are new and considered with the portfolio of hot topics that face politicians and social society organizations; thus, the world is moving towards applying the principles of both. In this research, we will focus on the three pillars of sustainability (social, economic, and environment) and the applications of these pillars through the social aspect and CSR.

In the previous chapter, the history and the evolution of the terminologies of sustainability pillars and CSR were presented, in addition to presenting the global trends of sustainability including sustainable development, MDGs, and SDGs. Furthermore, the links between CSR and sustainability and the tools and means of measuring the effects of sustainability and CSR were introduced.

## **Chapter Three**

### **Methodology**



## **Chapter Three**

### **Methodology**

#### **3.1. Overview**

This chapter discusses methodological approach for this thesis, which is considered the main pillar for conducting research. It will also discuss the methods followed to collect the required data and the methods and techniques of data analysis.

The research population is discussed and the research methodology diagram is introduced in this section. Reliability measures that were used to ensure data validity is presented. Finally, ethical considerations and measures that have been taken into consideration in all the steps of developing this thesis study.

#### **3.2. Research Type**

The purpose of the research determines many things such as the methods of data collection, analyzing the data and conducting the actual research, researches are divided based on their purpose for three categories: Descriptive, exploratory, and explanatory.

- The descriptive type: The aim of using descriptive methodology is to find ideas and patterns rather than testing hypothesis (Collis and Hussey, 2013) and it focuses on describing the situation to understand the different variations which is usually used in case study approach (Moyle et al., 2015), summarizing the current situation (Lambert and Lambert, 2012)

and comparing the Palestinian context with other countries (Martinez-Ferrero et al., 2015).

- The exploratory type: It is more concerned with studying the social phenomena without previously set expectations seeking the development of research questions (Algozzine and Hancock, 2016), it is also concerned in finding the variances of the correlations of the research being conducted to present more comprehensive image of the nature of the study (Palinkas et al., 2015).
- The explanatory type: It is interested in studying the reality and explaining the current context and follow the right path to discover the best practices in each sector. (Snead and Wright, 2014) it's also concerned with establishing and setting cause and effect relationships between the correlations of the study and understanding which ones affects the outcomes of the study (Algozzine and Hancock, 2016).

This study is considering an explanatory approach that is chosen due to the use of realistic data based on scientific measures (Shankardass et al., 2014) to study CSR and Sustainability in the Palestinian context. It was also chosen to study the cause and effect relationships between the factors of sustainability and CSR (Chatzoglou et al., 2017).

The findings of this research are yet to be discovered and depend on the findings of the results of surveyed and interviewed organizations and people, the explanatory approach was chosen due to the lack of literature in the Palestinian context and in the MENA region in the contexts of collectively studying Sustainability and CSR, this research has never been studied before

neither has been the correlations between the applications of sustainability and CSR factors and their effect on each other,

The Palestinian market is a developing market governed by family business corporates. CSR and sustainability are being applied based on the top-management (owners) willingness, acceptance and support in trial and error manner without any ground-based studies (fiscal, environmental, etc.) with a small percentage of success rate to their applications.

In this research, the relations and effects of sustainability and CSR applications on the performance of the corporates and the willing of the owners and the employees of the organizations to applying them and their willingness to accept the change to more green practices will be discussed.

### **3.3. Research Approach**

Research approach is considered the proposal or the plan for conducting researches (Creswell, 2013). Researches have 3 main approaches:

- Qualitative method approach: It requires using the qualitative data as the main resource of data for the research.
- Quantitative method approach: It requires using the quantitative data as the main source of data for the research to be analyzed using the quantitative data analysis methods.
- Mixed method approach: It requires using a combination of qualitative and quantitative data.

Mixed methodology approach will be employed in this research, using a combination of qualitative and quantitative data collection methods (Larken et al., 2014).

While qualitative approach allows the collection unconventional information and rich data, many researchers still believe in the use of the quantitative method due to being based on ground solid large sets of data, that is analyzed using the power of statistics rather than personal judgement. According to Arora and Stoner (2009), the use of mixed methods (qualitative and quantitative) decreases to some extent the concerns of statisticians and provides in-depth understanding of the issue.

Since mixed methodology approach is used to simplify the study in order to appeal to readers (Creswell, 2013), it provides clearer and richer explanation of the research questions and hypothesis. It also allows the creation of a robust and generalizable analysis framework. Mixed methodology approach could also provide us with an effective analysis of the situation, procedures and features (Cukurova et al., 2016).

Sequential mixed methodology approach will be employed in this research which is considered a modified version of the original pre-mentioned approach, which suggests the collection of quantitative data first then collecting qualitative data (Willer, 2015).

According to Fetters et al. (2013), the main difference between mixed methodology and sequential mixed methodology approaches is the timing of the data collection. While mixed methodology allows data collection to happen in parallel, sequential mixed methodology depends on collecting and

analyzing quantitative data then the collection and analysis of qualitative data (Fetters et al., 2013). According to Creswell (2013), explanatory sequential mixed methodology approach depends on collecting and analyzing quantitative data then explaining the results of the quantitative analysis using the analysis of the qualitative data.

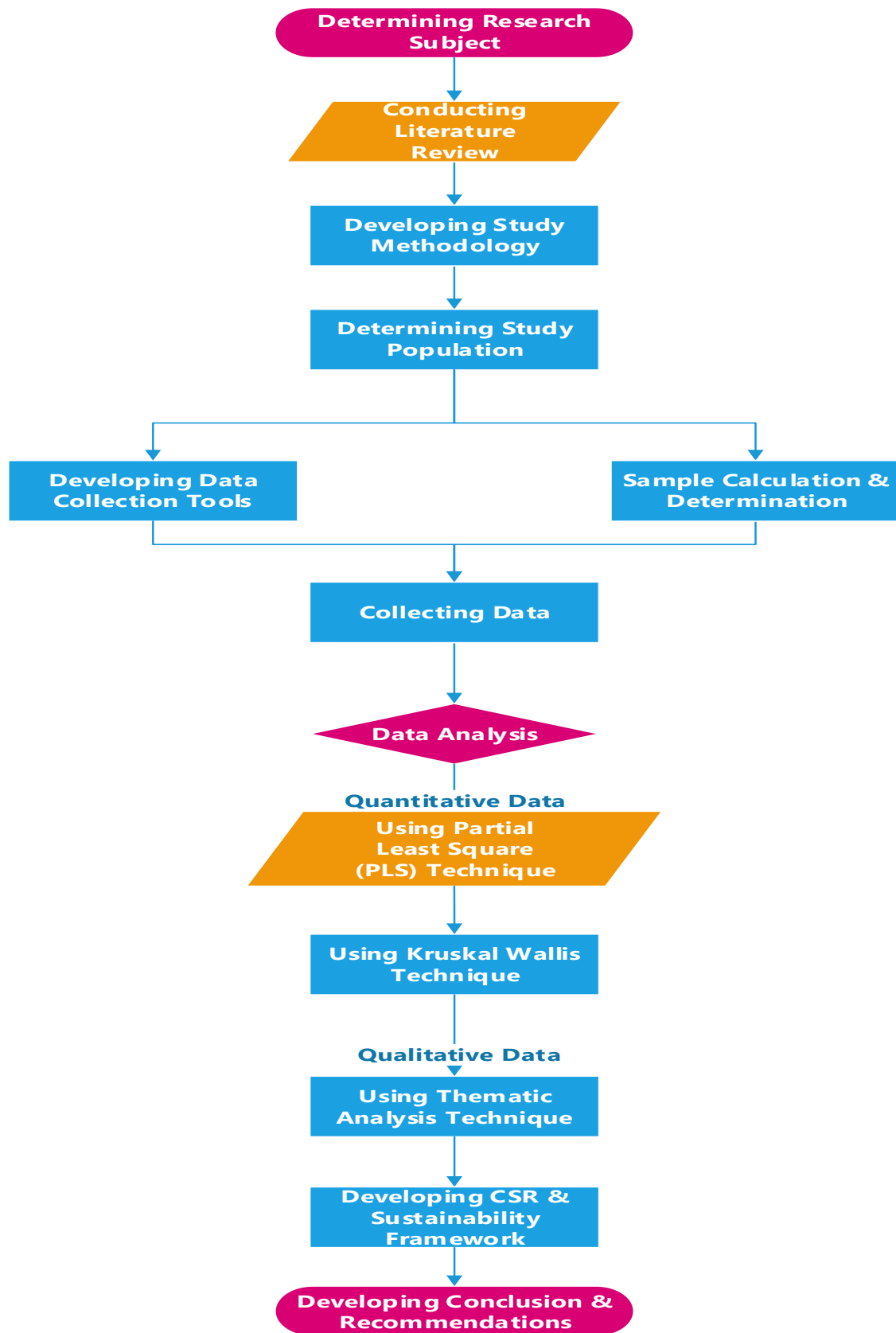
### **3.4. Methodology Diagram**

The research will begin by identifying the objectives of the study and looking thoroughly in the literature of the defined subject. then work on defining the methods of approaching the problem of the research and defining the sample of which to conduct the study will be done, constructing and designing the data collection tools (i.e. surveys, semi-structured interviews and other data collection methods), after wise collecting data of the research then analyzing the data using SPSS V.23 or other data analysis applications, and finally designing the framework and finalizing the research.

In order to conduct quantitative data collection, companies were contacted and each company of the sample was sent an online survey from [smartsurvey.co.uk](http://smartsurvey.co.uk) or received a hardcopy survey by field visits. Surveys in appendix II were distributed at the mid and senior-level management.

The field visits were then conducted for the selected companies and semi-structured interviews were conducted with the top-management of each company in the sample using the interview questions listed in Appendix III to collect the qualitative data.

The research diagram is explained further in Figure 4 using flowchart:



**Figure 4** Research Diagram Flow Chart

The outlined objectives in Chapter 1.4 will be achieved and the research questions in 1.5 will be answered by following the methodology diagram steps presented in Figure 4; starting by conducting literature review, then developing the methodology of the study based on the literature of the subject, determining the study population and sample, developing data methodology tools, collecting quantitative and qualitative data, conducting the data analysis, developing the framework, and writing the conclusion and recommendation of the study outputs.

### **3.5. Research Population and Sampling Techniques**

The Palestinian food manufacturing sector is targeted as the population for this research, the sector is chosen because it's one of the most prominent sectors in the Palestinian industry involving many international franchises and a wide variety of manufacturing spectrum (dairy production, agriproducts, coffee production and other types of food products). This sector involves 238 working companies according to the Palestinians food industries union (PFIU, 2017).

Some conditions were set to ensure that the collected quantitative data will reflect the questions and the objectives of the research. Thus, only companies that meet these conditions will be included in the population. These conditions are:

1. The organization should be legally registered and licensed to work in Palestine.

2. The organization should have a well-established organizational structure.
3. The organization should have a human resources department and an announced HR policy.
4. The organization should have quality officer and announced quality policy.

All of the 238 companies were investigated either by visiting their website or directly contacting them using their email address or phone number to insure the accuracy of information, the information collected was concerning the organizational structure of each company, the existence of well-established HR and quality departments. Based on the above criteria 52 working companies met the set criteria, and all these 52 companies were approached; sent an online survey, contacted on the telephone and some were visited. 47 responses from the population of 52 were collected.

In qualitative studies, it's difficult to determine the optimal sample size and it is directly reflected in the complexity of the study (Francis et al., 2010). According to Marsha et al. (2013), in phenomenal studies, 6–10 interviews, would be adequate. And the sample size of the qualitative techniques is often smaller than the sample size of the quantitative techniques (Dworkin, 2012). Thus, nine interviews were set to be the sample size for conducting the qualitative research emphasizing on variety in business, size, experience, type, etc. to ensure that all the food sector fields have been covered.



Thus, nine interviewees were selected to conduct semi-structured interviews. They were selected based on the criteria below and the factors presented in Table 3. These interviewees were chosen based on the following criteria:

1. Long experience in the field of food industry.
2. Different backgrounds and various expertise.
3. Working in different food industries.
4. Working in companies that have clearly identified organizational structure.
5. Working in companies that have HR departments and announced HR policy.
6. Working in companies that have quality departments and announces quality policy.

**Table 3 Distribution and Characteristics of Interviewees**

#	Company Code	Production Type	Interviewee title	Interviewee experience (Years)
1	Company A	Agriproducts	CEO	17 years
2	Company J	Dairy Products	CEO deputy	15 years
3	Company Y	Dairy Products	Chairman	18 years
4	Company R	Herbs and Coffee	Chairman	20 years
5	Company Z	Coffee production and imports	CEO	22 years
6	Company C	Agriproducts	CEO	13 years
7	Company I	Poultry	CEO Assistant	15 years
8	Company N	Agriproducts	Chairman	25 years
9	Company O	Beverages	HR Manager	10 years

As mentioned earlier, the population size for this research is 52 working companies from the Palestinian food manufacturing sector, and by calculating the sample size for the quantitative technique using the Yamane

equation with a confidence interval of 95% and an error margin of 5% (Singh and Masuku, 2014). According to the below formula, which was adapted from Singh and Masuku (2014); Masri (2016) we get the threshold of at least 46 companies should respond to the distributed Survey.

$$n = \frac{N * P (1-p)}{[(N - 1) * (d^2/z^2)) + P (1-p)}$$

Where:

n= Sample size.

N= Population (52).

P= Proportion of property offers and neutral (0.5)

d= Error margin (0.05).

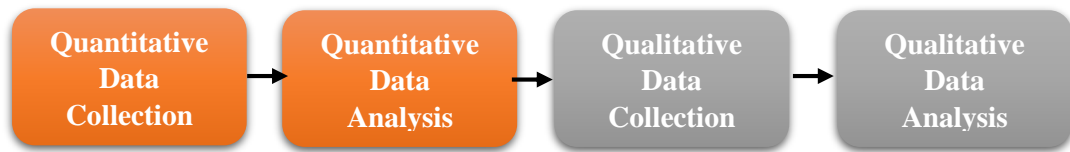
z= z value, upper  $\alpha/2$  from the normal distribution (for 95% of confidence level  $z = 1.96$ )

Using the above equation to calculate the sample size for the population of 52, with P value = 0.5, error percentage = 0.05 and z value = 1.96 using 95% confidence level, after applying the previous numbers on the pre-mentioned equation we get  $n=45.9$  which is almost equal to 46 samples required to represent the population. Applied as follows:

$$n = \frac{52 * 0.5 (1-0.5)}{[(52 - 1) * (0.05^2/1.96^2)) + 0.5 (1-0.5)} = 46$$

### 3.6. Data Collection Tools

Data collection and analysis begins with quantitative data collection and analysis, then qualitative data collection and analysis. Finally, using the qualitative data analysis results to interpret the quantitative data analysis results (Fetters et al., 2013) as shown in Figure 5.



**Figure 5** Sequential mixed methodology approach interpretation

#### 3.6.1. Quantitative Data Collection Tool

Surveys are used to collect quantitative data (presented in Appendix II). They are used widely to collect more concentrated information. According to Bryman (2015) surveys are used because of their low cost, offer easy to process data, improves data harmony and compatibility which would allow an easier more understandable interpretation of data, normally contains easy to answer questions and reduces the possibility of variability. On the other hand, surveys could have higher drop rate due to long survey or improper understanding of questions. Also, according to Moser and Kalton (2017), surveys could have higher rates of respondents' errors.

Surveys presented in appendix II were developed using a 5-point Likert scale (Nemoto and Beglar, 2014) and based on the literature related to the subject and after looking thoroughly to understand the gaps and best practices related to CSR and sustainability applications in Palestine.

The survey was developed with five possible answers (Strongly disagree, disagree, neutral, agree and strongly agree). It also consisted of five main sections: the first section is the demographical data section which consisted of eight items; the second section is CSR, which consisted of two subsections the first subsection is concerned with the level of commitment of the corporate to CSR which consisted of 12 items and the second subsection is concerned with the corporates' motivators to apply CSR which consisted of 9 items; the third section is sustainability which consisted of two subsections, the first subsection is concerned with the level of corporates' commitment to sustainability which consisted of nine items and the second subsection is concerned with the motivators of applying sustainability which consisted of 7 items.

This survey was developed in Arabic and English and was uploaded to [smartsurvey.co.uk](https://smartsurvey.co.uk) using the proper settings to ensure that each copy sent is filled only once to insure the validity of the data collected, the Survey was sent to all 52 companies targeted by this research using email, then companies were approached by telephone or visited to motivate and ensure that they will fill the Survey and answer any ambiguities or concerns they have, data collection took almost 3 months then after finalizing data collection an excel file containing all of the collected data ready to be analyzed.

A one-page letter was attached to each survey to explain to the respondent the goals of this survey, ensure their anonymity and listing the researcher's contact details for further inquiry. Another page was attached to define

Sustainability and CSR to ensure the respondents' full understanding of the discussed issue.

The acquired data will then help understand the willingness and readiness of the Palestinian manufacturing sector to apply sustainability and CSR, also help understand the anticipated effects of applying them on the food manufacturing sector and the Palestinian market in general, in order to adapt and develop a framework that would assist any interested organization to apply CSR or Sustainability or both of them together.

### **Qualitative Data Collection Tool**

Modern researches tend to use open and close approaches to collect data from the targeted sample. While open approaches such as interviews are used to collect qualitative data and allow us to receive newly unexpected responses and explore unattended areas, close questions such as surveys that are used to collect quantitative data tend to be easier to collect and analyze. (Salganik and Levy, 2015)

Interviews have many forms of being executed such as: Face to face, Email, Instant messaging and over the phone (Opdenakker, 2006); while all these interviews forms are being used, face to face semi-structured interview form is the one recommended by most researchers and experts due to the existence of visual interactions that could aid in providing rich data (Irvine et al., 2013).

Interviews were used because they allow the respondents to answer in their own terms, allow the researcher to control the atmosphere of the interview, they are also time-bounded, allow the researcher to take more advantage of

social cues (Body language, tone, etc.), and could be easily terminated through gestures and clues that could be provided to the interviewee to let him know that the interview is ending soon. On the other hand, interviews are expensive and time consuming, they don't allow wide geographical coverage, they also narrow down our list of population due to movements restrictions in some areas (conflict zones, hazardous areas, military area, etc.) and require greater effort by the researcher, it could take more time and the researcher has to write additional notes (Irvine et al., 2013).

According to Stucky (2013) interviews have three known types:

1. Structured Interviews: It is that kind of interviews where the interviewer has more control over what's being asked allowing the respondent only tight space of answer.
2. Semi-Structured Interviews: In this type, the researcher sets the general outlines of the interview allowing the respondent more space to answer while the interviewer can improvise if he felt that something needs to be clarified or interpreted.
3. Narrative Interviews: In this type, the researcher listens to the story of the interviewee (respondent) based on his own experience and life challenges.

Since this is an explanatory study semi-structured interviews was used as the data collection tool for the qualitative data, starting by developing the interview questions and the interview protocol (Ivankova, 2006) based on the literature and the previous work of researchers around the world in the

same field to construct a full scope of the work, the researcher then used a recording device to record the conducted interviews.

Nine interviews were conducted with the targeted group of companies. These interviews were conducted in each company's premises. Each interviewee signed a consent form presented at the beginning of the interview which is shown in Appendix IV, each interviewee was also provided with a copy of the questions at the beginning of the interview. Most interviews took between 30 minutes to one hour with an average of 50 minutes for all interviews; all nine interviews were recorded, and notes were taken during the interview, a short transcript was prepared for each interview containing the highlights of each interview.

### **3.6.2. Data Collection Tools Validity and Reliability**

Validity and reliability are important for both quantitative and qualitative data collection tools to ensure the proper development of the data collection tools and the data collected will be robust and valid.

### **3.6.3. Survey Content Validity**

The validity of the survey is a key factor in determining the quality of the tools used to collect the data of the research which is called content validity (Masri and Jaaron, 2017). Content validity is measured on the relevance of the Survey's questions and articles to the literature of the subject and the questions and hypothesis of the research which ensures better consistency in later stages of the research results and outcomes (Mertens, 2014).

Data collection tools that were used in this research were put to test in order to ensure their reliability and validity. The quantitative data collection tool (Survey) was sent to three arbitrators (two academic arbitrators and one experienced arbitrator from the Palestinian food manufacturing sector) as shown in Appendix IV, surveys were also developed based on the literature review of similar studies around the world, then surveys were developed and uploaded to [smartsurvey.co.uk](https://smartsurvey.co.uk) to be sent out for piloting purposes for 10 people from different academic and industrial backgrounds to ensure that they can be filled and understood easily and that they do not have any issue.

#### **3.6.4. Survey Reliability**

Survey reliability means that if the researcher conducted the same research targeting the same population at different times the results should be more or less consistent with the outcomes of this study, and the reliability test is conducted to ensure that the data of this research is consistent and scientifically significant (Creswell, 2013).

The researcher used Cronbach's alpha coefficient as shown in Table 4 to ensure data consistency and reliability as suggested by Creswell (2012) declaring that Cronbach's alpha is recommended when analyzing a 5-point Likert scale survey to test internal consistency between groups by measuring the correlations between items in the survey.



**Table 4 Cronbach's Alpha**

<b>Item</b>	<b>No. of Items</b>	<b>Cronbach's Alpha</b>
Sustainability Commitment	12	.869
Sustainability Motivators	9	.921
CSR Commitment	9	.729
CSR Motivators	7	.868
<b>Total</b>	<b>37</b>	<b>.847</b>

Cronbach's alpha measures the analyzed data reliability and could be an indicator data validity some researchers suggest that any  $\alpha$  value  $< 0.7$  is directly rejected (Bonett and Wright, 2015). Likert scale data should be checked with Cronbach's alpha reliability test (Brown, 2011) since reliability is considered an essential way of measuring the validity of the analyzed data (Gadermann et al., 2012).

Some researchers consider any  $\alpha$  value between 0.7 to 0.8 is "adequate or acceptable" while anything between 0.8 to Less than 0.9 is considered "good" and anything above 0.9 is excellent (Shelby, 2011).

All the values of the analyzed data presented above in Table 4 for the Cronbach's Alpha reliability test are above 0.7 which would be considered acceptable (Bonett and Wright, 2015). For sustainability motivators,  $\alpha = 0.92$  which is excellent, sustainability commitment and CSR commitment  $\alpha$  value is close to 0.87 which is good. For CSR commitment  $\alpha$  value is close to .73 which is an acceptable value and the total  $\alpha$  value for the research data is close to 0.85 which means that the data set for this research is reliable.

### **3.6.5. Interview Questions Validity**

The interview questions were also developed based on the literature of the subject and after many consultations and meetings with experts from the

Palestinian industrial sector, and then they were sent to three arbitrators presented in Appendix IV for arbitration (two academics and one from the Palestinian food manufacturing sector).

After the development of the first draft of the interview questions based on the literature and past relevant studies, the researcher presented the draft to an industrialist with an experience of more than 20 years in the Palestinian food manufacturing sector filling various positions, many modifications were embedded to the first draft through emails, discussions and meetings.

A modified draft of the interview questions was presented to two academic arbitrators to ensure that they're academically fit to proceed. Each arbitrator listed some comments and notes which were worked upon to enhance the questions until reaching the final version of these questions.

### **3.7. Analysis Techniques**

The research data analysis depends on the analysis techniques of the sequential mixed methods approach which involves analyzing the quantitative data and using the analysis results of the qualitative data to interpret and explain the results of the quantitative data. This section will present the methods of analyzing the quantitative data collected using survey and the qualitative data collected through interviews.

#### **3.7.1. Quantitative Data Analysis**

PLS-SEM was used as the major analysis method for the quantitative data (survey) results to study the correlations between the hypothesis presented

in the first chapter (see section 1.4) using SmartPLS application to analyze the data collected using surveys (Wong, 2013). Statistical Package for Social Sciences (SPSS), Version 23; was also used to understand the correlations between the different aspects and factors of the collected data.

PLS-SEM was used due to its statistical power in studies with small sample size. PLS-SEM also doesn't make any assumptions about the distribution of the data (Hair et al., 2013; Wong, 2013). According to Kock and Hadaya (2016), PLS-SEM has been used in a study published by elite IS research journal with the smallest size ever used which is 17 which indicates that the use of PLS-SEM with small sample sizes is efficient. Hair et al. (2009) suggest that PLS-SEM is preferable to be used with small sample sizes ranging from 18 to 211 based on the literature and the experiences of other scholars. According to Goodhue (2013), there is no significant variance in efficiency between applying PLS-SEM on small or large sample sizes for non-normal data while  $n \geq 40$  and  $n \leq 200$ .

PLS-SEM is also powerful when the data set of the study isn't normally distributed (Joe Jr, 2014). PLS-SEM is also powerful for handling data collected from family businesses (Sarstedt, 2014), which is the case of the Palestinian food industries context since most of the businesses in Palestine are family owned businesses (Hanieh et al., 2015).

Model fit indices were used to ensure the validity of the PLS-SEM bootstrapping algorithm, the standardized root mean square residual (SRMR) and the normed fit indices are used to show the incongruity between

the experimental correlation matrix and the original model (Kenny, 2014; Cao and Zhang, 2012).

Demographic analysis was also conducted to further explore the correlations between the collected quantitative data using SPSS V23 and to better understand the relations between the tested hypothesis and the demographics of the sample which allowed us to explore potential relationships between them.

### **3.7.2. Qualitative data analysis**

Thematic analysis technique is used to analyze the qualitative data (interviews) recordings, the researcher listened to all nine interviews and started by setting the main codes and issues and developing the general themes to group each set of codes.

According to Vaismoradi et al. (2013), thematic analysis is conducted using the following steps:

- Getting familiar with the data: Listening to the data recordings to understand further the answers that were given by the interviewees.
- Generating initial codes: In this step, the researcher will start identifying and grouping issues together and classifying them in codes.
- Listing themes: It includes using the previously set codes the researcher shall start grouping each set of codes that are related or similar into one theme.
- Themes review: It includes reviewing and rectifying themes to ensure that only main themes are listed.
- Report generation: It includes generating the report of the interviews analysis based on the understanding and the listing of codes and themes.

The above steps were followed by the researcher in this study to ensure that the qualitative analysis is comprehensive, and it is conducted using scientific principles that ensure high quality outcomes.

### **3.8. Ethical Concerns**

Ethical concerns were taken into consideration during the development process of both the interviews and the Survey. As shown in Appendix IV, the researcher has signed a consent form to ensure the anonymity of the interviewed person while collecting the qualitative data through interviews. In addition, the researcher has declared in the first page of the survey presented in appendix III that these data will only be used for the purposes of scientific research and the identity of the surveyed personnel and companies will be kept anonymous.

Precaution steps were taken to ensure that no fraud nor dishonesty will be presented during data collection through sending each respondent his online survey form and following up with him/her to ensure that he filled it and sending surveys at varying times allowing each company a period of 1 week to fill the form, the researcher has also set the security measures on [smartsurvey.co.uk](https://smartsurvey.co.uk) to the maximum to ensure that no duplication will happen and that each survey will only be filled once by each respondent.

## **Chapter Four**

### **Data Analysis**

## **Chapter Four**

### **Data Analysis**

#### **4.1. Overview**

This chapter presents the results of the quantitative and qualitative data collected using survey and interviews. Firstly, a quantitative analysis will be conducted on the collected survey data through presenting the study population's demographic analysis and specifications of the sample. A partial least square sequential equation modeling (PLS-SEM) analysis using Smart-PLS analysis will then be conducted to understand and present the correlations between the factors and the main hypothesis of the study presented in chapter 1. Following the PLS-SEM analysis, the surveys will be analyzed against the demographics of the chosen sample based on the assumption that there are positive correlations between the sample demographics and the four factors of the analysis (sustainability commitment, sustainability motivators, CSR commitment, and CSR motivators). Finally, the hypothesis will be tested against the analyzed results using the Statistical Package for Social Sciences (SPSS) software in order to determine the current situation in the targeted sector and extract the best practices being applied in Palestine.

Then, the outcomes of this analysis will be interpreted using the qualitative data analysis of the interviews data to discuss the analysis of the interviews that are conducted with the senior management of a selected sample from the Palestinian food manufacturing sector.

## **4.2. Survey Analysis**

A sequential mixed methodology approach requires both quantitative and qualitative data. Quantitative data analysis will form the basis of this research analysis; the results of this analysis will be further interpreted using the qualitative data analysis in section 4.3.

The quantitative data analysis was conducted using different statistical tests (frequency, percentage, means, PLS-SEM, Bootstrapping, and H-Test) to investigate the relations between the elements of the survey.

The analysis was conducted by first identifying the sample profile using frequency and percentage tests to identify and understand the demographics of the targeted sample. Following this, a Partial Least Square Analysis (PLS-SEM) was used to determine the factors and correlations, then a Kruskal-Wallis test was applied to the data to test the hypotheses presented in 4.2.4, which are an expansion of the study hypotheses presented in 1.6. Kruskal-Wallis was used due to its statistical power with non-normal data sets (Taylor, 2015).

## **4.3. Normality Test**

Normality test is used to test whether the data sets that are being analyzed are normally distributed or not. Normality of each variable was evaluated using the Shapiro-Wilks test Appendix VI, with a value of  $p > 0.05$ , suggesting a non-normal distribution. Kruskal-Wallis one-way analysis of variance was used to assess differences between the correlations of the study.



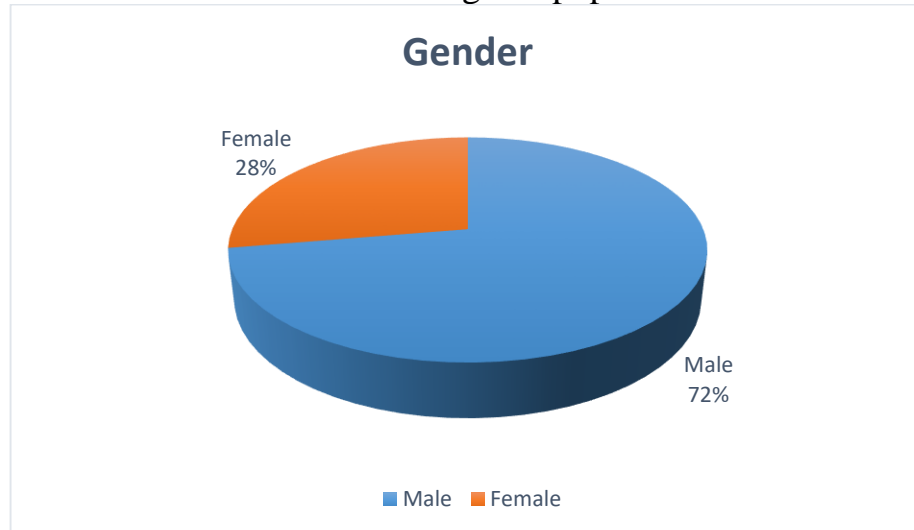
#### 4.4. Study Population

This section will discuss the study population traits and measures using the results of the percentage test to show the nature of the targeted sample and demographic analysis to understand each demographic trait and its reflection on the discussed hypothesis.

The below Figures (6, 7, 8, 9, 10, 11, 12, and 13) represent the percentage tests. These tests determine the percentage of respondents answering each item.

##### Gender

Figure 6 represents the gender of respondents; 72% of the targeted population is male and 28% of the targeted population is female.

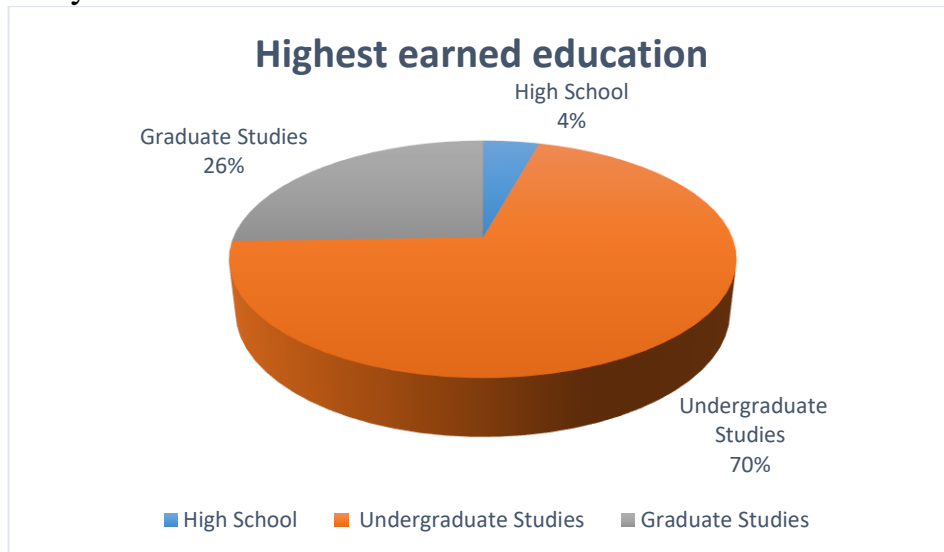


**Figure 6** Gender

##### Highest Earned Education:

Figure 7 represents the highest earned education for the respondents. Results indicate that 70% of the respondents hold a bachelor's degree while 26% of

them hold a graduate studies degree. Just 4% of the respondents finished high school only.



**Figure 7** Highest Earned Education

### Managerial Level

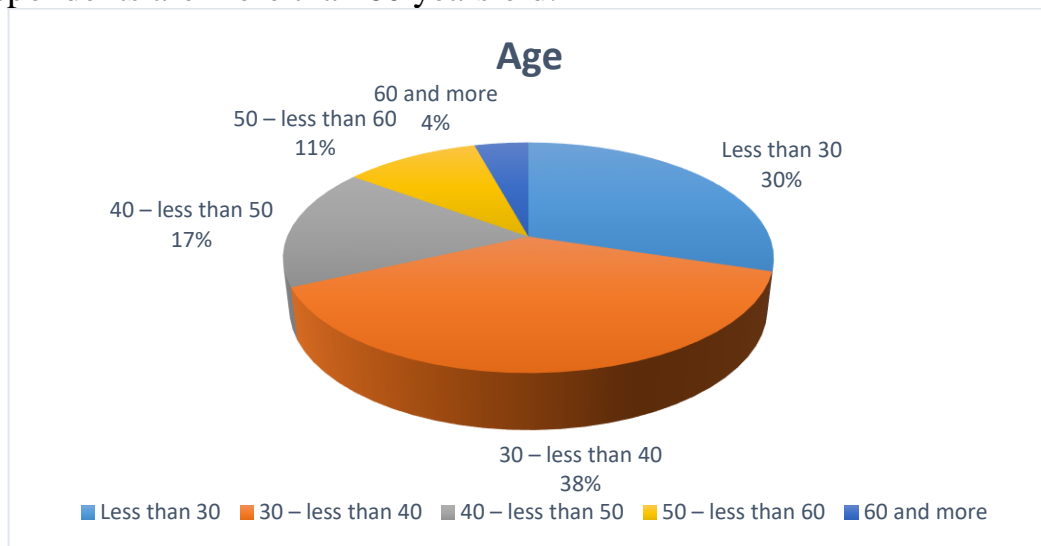
According to Figure 8, which represents the respondents managerial level, 49% of the respondents are from the top-management level while 43% of them are from the mid-management level and only 8% are from the operational level.



**Figure 8** Managerial Level

## Age

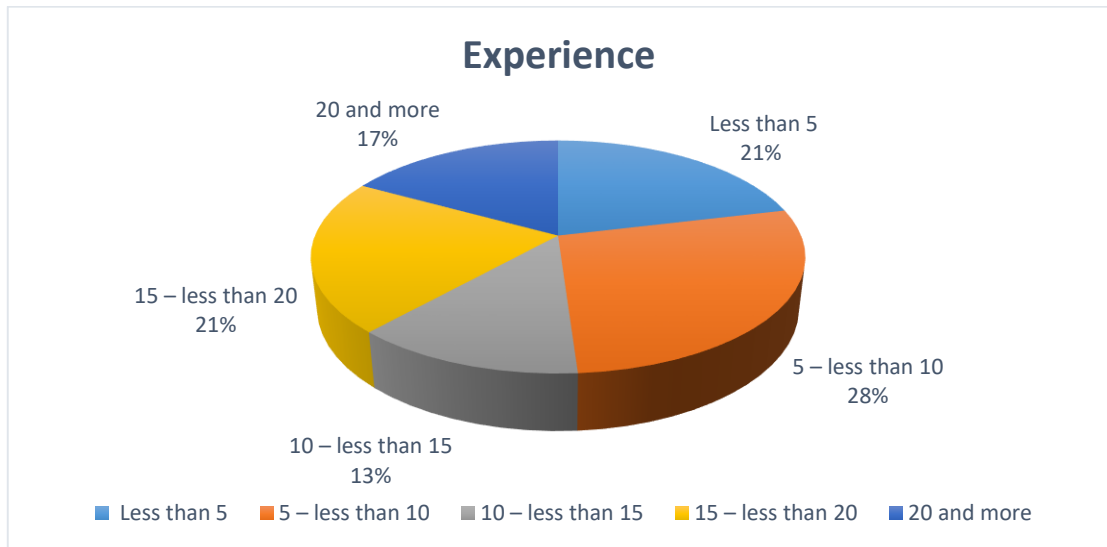
Figure 9 presents the age of the respondents. The figure indicates that 30% of them are less than 30 years of age, 38% of them are between the ages of 30 – less than 40 years, 17% of them are between 40 – less 50 years old, 11% of them are between 50 – less than 60 years old, and only 4% of the respondents are more than 60 years old.



**Figure 9 Age**

## Experience

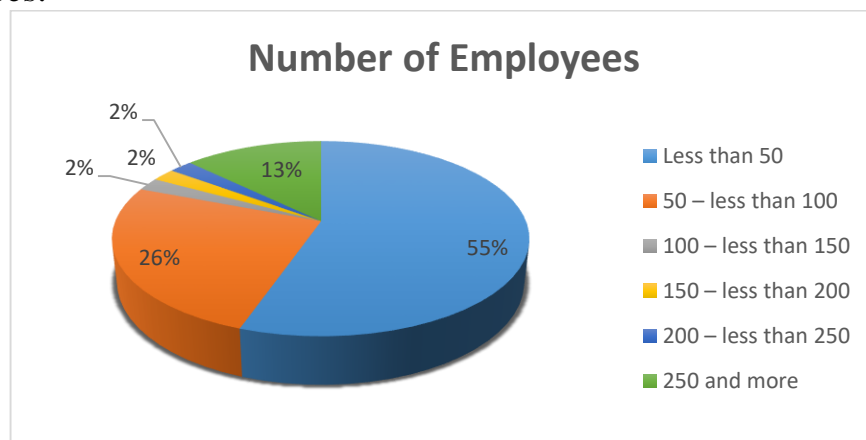
Figure 10 presents the years of professional work experience of the respondents, showing that 21% of them have less than 5 years of experience, 28% of them have 5 to less than 10 years of experience, 13% of them have 10 to less than 15 years of experience, 21% of them have 15 to less than 20 years of experience, and 17% of the respondents have more than 20 years of experience.



**Figure 10** Experience

### Number of Employees

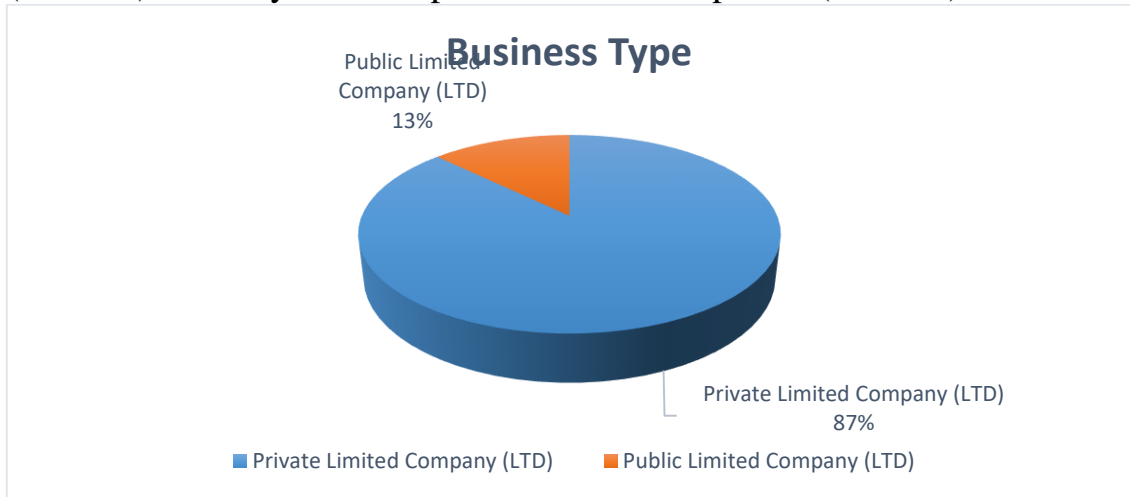
Figure 11 presents the number of employees in each of the targeted companies. The figure indicates that more than 55% of the targeted food manufacturing companies have less than 50 employees, 26% of them have 50 to less than 100 employees, 2% of them have 100 to less than 150 employees, 2% of them have 150 to less than 200 employees, 2% of them have 200 to less than 250 employees, and 13% have more than 250 employees.



**Figure 11** Number of Employees

## Business Type

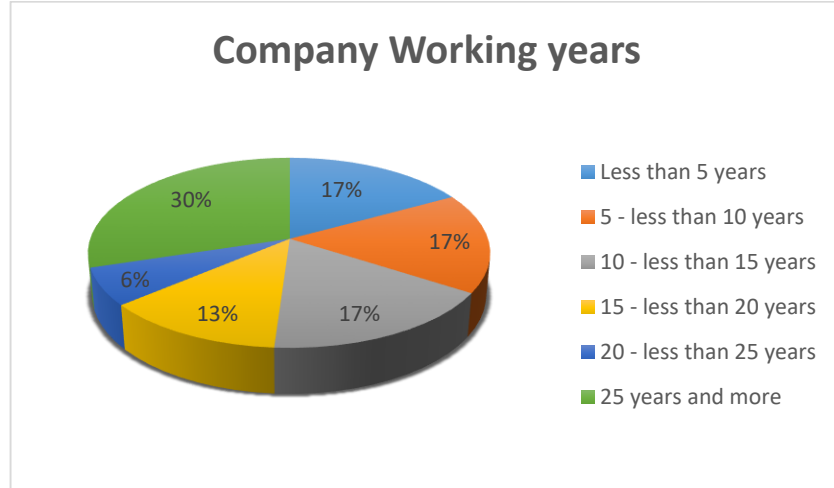
Figure 12 presents the business type of the targeted food manufacturing companies, indicating that 87% of them are private limited companies (Limited) and only 13% are public limited companies (Limited).



**Figure 12 Business Type**

## Company Working Years

Figure 13 presents the number of years that the company has been registered with the Palestinian authorities and operating in the Palestinian market. The figure indicates that 17% of the targeted food manufacturing companies have been registered and working for less than 5 years, 17% of them have been registered and working for 5 to less than 10 years, 17% of them have been registered and working for 10 to less than 15 years, 13% of them have been registered and working for 15 to less than 20 years, 6% of them have been registered and working for 20 to less than 25 years, and 30% of them have been registered and working for more than 25 years.

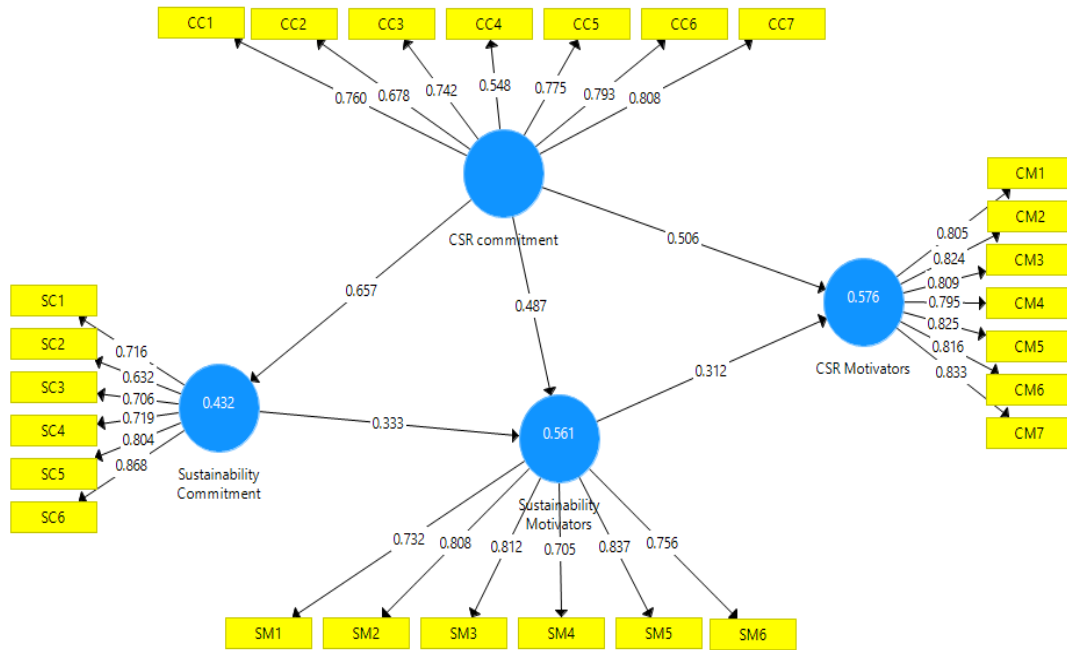


**Figure 13** Company Working Years

#### **4.5. Partial Least Square Structural Equation Modeling (PLS-SEM) Analysis**

Due to the small sample size, PLS-SEM would be a suitable technique to analyze the collected survey data. It is a variance-based structural equation modeling technique. PLS-SEM was criticized at the beginning, but it has proven itself to be among the most efficient techniques in analyzing small sample sizes (Hiar et al., 2012). According to Dijkstra and Henseler (2015), PLS-SEM has proven its efficiency in comparison to other analysis techniques with an adequate sample size that is based on the total population. PLS was used to test the validity and reliability of the factors of the study and to determine the significance level between each of the correlations set, Sustainability Commitment (SC), Sustainability Motivators (SM), CSR Commitment (CC), and CSR Motivators (CM).

By applying a PLS algorithm through setting the maximum iteration value to 300 and the stop criterion ( $10^{-X}$ ) to 7 (Wong, 2013), the following results illustrated in Figure 14 were obtained:



**Figure 14** PLS-SEM Analysis

Based on the previous PLS-SEM analysis presented in Figure 14 where CSR commitment was used a base factor, the standardized regression weights between the four factors (correlations) are positive (all are above 0), indicating that they affect each other positively.  $R^2$  values, as presented in Table 5 below, are all above 0.25, which indicates a reliable test (Wong, 2013).

**Table 5** R Square Analysis

Factors	R Square
CSR Motivators	0.556
Sustainability Commitment	0.419
Sustainability Motivators	0.541

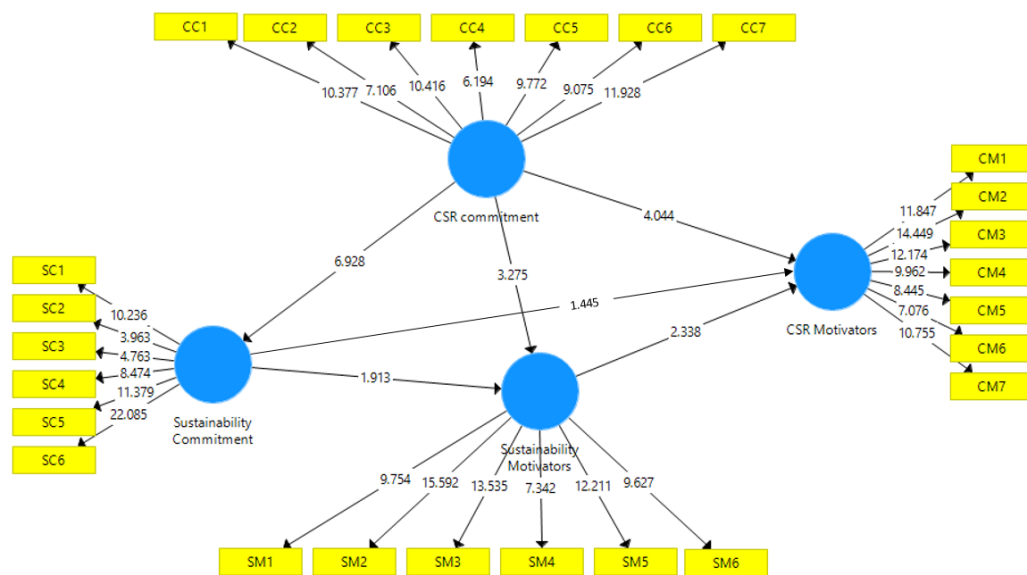
On the other hand, the composite reliability presented in Table 6 is used in PLS as an alternative to Cronbach's Alpha due to its accuracy and efficiency with the PLS-SEM model (Hair et al., 2012). Composite reliability measures the internal consistency reliability, which indicates that the conducted analysis is reliable since all the values are above 0.6; this number is considered an acceptable value for explanatory research techniques (Wong, 2013; Sarstedt et al., 2014). To determine whether the previous correlations are significant, we need to run another algorithm (bootstrapping) to get the t-test results.

**Table 6 Composite Reliability**

<b>Factors</b>	<b>Composite Reliability</b>
CSR Motivators	0.933
CSR Commitment	0.890
Sustainability Commitment	0.881
Sustainability Motivators	0.901

The bootstrapping algorithm analysis presented in Figure 15 is used to test the significance of the paths between correlations (Ringle et al., 2016), by using a t-test with 500 subsamples, a bias-correlated and accelerated (BCa) bootstrap confidence interval method with a two-tailed test type, and a 0.05 significance level (Wong, 2013).





**Figure 15** Bootstrapping t-test analysis

After running the bootstrapping algorithm, t-test results are presented between the correlations (anything above a standard deviation of  $z=1.96$  is significant at the 95% confidence interval). The analysis found that all the correlations are significant, which means they affect each other. The strongest correlation is between CSR commitment and sustainability commitment (Afthanorhan, 2014; Kock, 2015).

Based on the previous analysis, we understand that all the listed correlations affect each other since the t-test results between the factors are all above 1.96 except for the correlations between sustainability commitment and CSR motivators, and sustainability commitment and sustainability motivators (see Table 7). The correlation between CSR commitment and CSR motivators is the strongest, indicated by a t-test value of 8.999; however, we need to further understand how they affect each other and what other factors affect them.

**Table 7 Factor correlation t-test results**

Factors Correlation	T-test result
CSR commitment -> CSR motivators	8.999
CSR commitment -> Sustainability commitment	6.928
CSR commitment -> Sustainability motivators	8.147
Sustainability commitment -> CSR motivators	1.445
Sustainability commitment -> Sustainability motivators	1.913
Sustainability motivators -> CSR motivators	2.338

#### 4.5.1. Model fit indices

To ensure that the previously conducted bootstrapping analysis is valid and reliable, the standardized root mean square residual (SRMR) is used to understand the incongruity between the original model and the experimental correlation matrix, which is considered important if the level of incongruity is high. If the SRMR value is 0, it would imply a perfect fit; if it is less than .05, it would be a good fit (Henseler et al., 2016). Recent studies also showed that even .06 could be an acceptable value, thus, the SRMR value of .08 was agreed among scholars to be an acceptable value and anything above .08 indicates an issue that needs to be addressed (Henseler et al., 2014). According to Table 8, the SRMR value for our analysis is .077, which is considered acceptable and shows a reliable dataset and analysis. This SRMR measure fit index replaces the Chi-Square test since SmartPLS does not have a Chi-Square test and is attributed to the usage of SRMR fit index in the bootstrapping stage (Dijkstra and Henseler, 2015).

A normed fit index (NFI) is another fit index to describe the model validity and ranges between 0 and 1; the closer the NFI value to 1, the better model you have (Newsom, 2017). According to Table 8, the NFI value of this analysis is 0.522, which is considered an acceptable value for small sample size since increasing the sample size would allow for larger NFI value. NFI is an incremental fit measure, meaning that the greater the sample size, the better the NFI value and the smaller the sample size, the worse the NFI value, which means that the NFI value could be manipulated by adding more parameters to the model and through increasing the sample size (Kenny, 2014).

**Table 8 Model Fit Indices**

<b>Model Fit</b>		
<b>#</b>	<b>Indices</b>	<b>Values</b>
1	SRMR	.077
2	NFI	.522

### **Sustainability and CSR Practices Assessment**

To assess and measure the sustainability and CSR motivators and commitment of the Palestinian food manufacturing companies, the respondents were asked to fill out a 5-point Likert scale survey, where 1 represents “Strongly Disagree”, 2 represents “Disagree”, 3 represents “Undecided”, 4 represents “Agree”, and 5 represents “Strongly Agree” (see Table 5).

#### **4.6. Hypotheses Testing**

The following hypotheses were proposed based on the objectives, the questions of the research, the main research hypotheses, and the assumption that there is a potentially positive correlation between the demographic categories, sustainability commitment and motivators, and CSR commitment and motivators.

- H1: Male gender has a more positive view towards sustainability commitment and motivators.
- H2: Increased educational level has more positive effects on sustainability commitment and motivators.
- H3: Higher managerial levels have a more positive view towards sustainability commitment and motivators.
- H4: Older ages have a more positive view towards sustainability commitment and motivators.
- H5: Increased experience personnel have a more positive view towards sustainability commitment and motivators.
- H6: Larger companies have a more positive view towards sustainability commitment and motivators.
- H7: The public sector has a more positive view towards sustainability commitment and motivators.
- H8: Companies with a long track record of working experience in the local market have a more positive view towards sustainability commitment and motivators.

- H9: Male gender has a more positive view towards CSR commitment and motivators.
- H10: Increased educational level has more positive effects on CSR commitment and motivators.
- H11: Higher managerial levels have a more positive view towards CSR commitment and motivators.
- H12: Older ages have a more positive view towards CSR commitment and motivators.
- H13: Increased experience personnel have a more positive view towards CSR commitment and motivators.
- H14: Larger companies have a more positive view towards CSR commitment and motivators.
- H15: The public sector has a more positive view towards CSR commitment and motivators.
- H16: Companies with a long track record of working experience in the local market have a more positive view towards CSR commitment and motivators.

The above hypotheses discuss the positive view towards sustainability and CSR commitment and motivators. These will be discussed in the following sections by connecting each demographic category with its related hypothesis, which gives us a clear idea about the positive or negative correlation between the demographics and sustainability and CSR commitment and motivators.

## Gender Impact on sustainability and CSR commitment

**Table 9 Gender Hypothesis Testing**

<b>Gender</b>				
<ul style="list-style-type: none"> <li>○ H1: Male gender has a more positive view towards sustainability commitment and motivators.</li> <li>○ H9: Male gender has a more positive view towards CSR commitment and motivators.</li> </ul>				
<b>Item</b>	<b>Significance Level (Kruskal-Wallis Test)</b>	<b>Mean Rank</b>		<b>Comments</b>
		<b>Male</b>	<b>Female</b>	
Sustainability Commitment	.341	22.82	27.08	Retain the null hypothesis
Sustainability Motivators	.895	23.84	24.42	Retain the null hypothesis
CSR Commitment	.858	24.22	23.42	Retain the null hypothesis
CSR Motivators	.452	23.07	26.42	Retain the null hypothesis

Table 9 represents the correlation and significance of gender on sustainability commitment, sustainability motivators, CSR commitment, and CSR motivators. Based on the significance level of each of the four items and using  $\alpha=0.05$ , we retain the null hypothesis, which means that gender has a statistical effect on the 4 presented items.

## Level of education impact on sustainability and CSR factors

**Table 10 Educational Level Hypothesis Testing**

<b>Educational Level</b>					
H2: Increased educational level has more positive effects on sustainability commitment and motivators.					
H10: Increased educational level has more positive effects on CSR commitment and motivators.					
<b>Item</b>	<b>Significant Level (Kruskal-Wallis Test)</b>	<b>Mean Rank</b>			<b>Comments</b>
		<b>Secondary</b>	<b>BA</b>	<b>Graduate Studies</b>	
Sustainability Commitment	.394	27.5	22.3	28.29	Retain the null hypothesis
Sustainability Motivators	.470	29	25.14	20.04	Retain the null hypothesis
CSR Commitment	.738	19	24.92	22.29	Retain the null hypothesis
CSR Motivators	.249	8.25	24.77	24.5	Retain the null hypothesis

Table 10 presents the correlation and significance of the educational level on sustainability commitment, sustainability motivators, CSR commitment, and CSR motivators. Based on the significance level of each of the 4 items and using  $\alpha=0.05$ , we retain the null hypothesis, which means that the educational level has a statistical effect on the 4 presented items.

### Seniority of position impact on sustainability and CSR factors

**Table 11 Managerial Level Hypothesis Testing**

<b>Managerial Level</b>					
<ul style="list-style-type: none"> <li>○ H3: Higher managerial levels have a more positive view towards sustainability commitment and motivators.</li> <li>○ H11: Higher managerial levels have a more positive view towards CSR commitment and motivators.</li> </ul>					
<b>Item</b>	<b>Significant Level (Kruskal-Wallis Test)</b>	<b>Mean Rank</b>			<b>Comments</b>
		<b>High</b>	<b>Mid</b>	<b>Low</b>	
Sustainability Commitment	.093	22.11	23.35	38.12	Retain the null hypothesis
Sustainability Motivators	.061	19.67	26.88	34.5	Retain the null hypothesis
CSR Commitment	.693	22.26	25.75	25.25	Retain the null hypothesis
CSR Motivators	.234	20.96	25.9	32	Retain the null hypothesis

Table 11 presents the correlation and significance of the managerial level on sustainability commitment, sustainability motivators, CSR commitment, and CSR motivators. Based on the significance level of each of the 4 items and using  $\alpha=0.05$ , we retain the null hypothesis, which means that the managerial level has a statistical effect on the 4 presented items.



## Age impact on sustainability and CSR factors

**Table 12 Age Hypothesis Testing**

Age							
<ul style="list-style-type: none"> <li>○ H4: Older ages have a more positive view towards sustainability commitment and motivators.</li> <li>○ H12: Older ages have a more positive view towards CSR commitment and motivators.</li> </ul>							
Item	Significant Level (Kruskal-Wallis Test)	Mean Rank					Comments
		Less than 30	30 – Less than 40	40 – Less than 50	50 – Less than 60	60 and More	
Sustainability Commitment	.172	30.93	23.31	16.94	20.5	18.75	Retain the null hypothesis
Sustainability Motivators	.032	32.29	19.47	16.06	27.8	29	Reject the null hypothesis
CSR Commitment	.677	27.36	21.19	24.69	21	30.5	Retain the null hypothesis
CSR Motivators	.004	33.79	24.61	12.31	17.6	12.75	Reject the null hypothesis

Table 12 presents the correlation and significance of age on sustainability commitment, sustainability motivators, CSR commitment, and CSR motivators. Based on the significance level of each of the 4 items and using  $\alpha=0.05$ , we retain the null hypothesis for sustainability and CSR commitment, which means that age has a statistical effect on these factors. However, we reject the null hypothesis for sustainability and CSR motivators since  $\alpha$  is less than .05 for both, which means that age does not have statistical effects on them.

## Experience impact on sustainability and CSR factors

**Table 13 Years of Experience Hypothesis Testing**

Years of Experience							
<ul style="list-style-type: none"> <li>○ H5: Increased experience personnel have a more positive view towards sustainability commitment and motivators.</li> <li>○ H13: Increased experience personnel have a more positive view towards CSR commitment and motivators.</li> </ul>							
Item	Significant Level (Kruskal-Wallis Test)	Mean Rank					Comments
		Less than 5	5 – Less than 10	10 – Less than 15	15 – Less than 20	20 and More	
Sustainability Commitment	.052	28.5	23.92	35.75	17.40	17.94	Retain the null hypothesis
Sustainability Motivators	.333	31.05	20.85	27.58	20.75	21.69	Retain the null hypothesis
CSR Commitment	.257	27.55	17.73	22.42	24.35	30.5	Retain the null hypothesis
CSR Motivators	.065	33	22.92	28	21.25	14.94	Retain the null hypothesis

Table 13 presents the correlation and significance of the years of experience on sustainability commitment, sustainability motivators, CSR commitment, and CSR motivators. Based on the significance level of each of the 4 items and using  $\alpha=0.05$ , we retain the null hypothesis, which means that the years of experience has a statistical effect on the 4 presented items.

### Number of employees' impact on sustainability and CSR factors

**Table 14 Number of Employees Hypothesis Testing**

<b>Number of Employees</b>								
<ul style="list-style-type: none"> <li>○ H6: Larger companies have a more positive view towards sustainability commitment and motivators.</li> <li>○ H14: Larger companies have a more positive view towards CSR commitment and motivators.</li> </ul>								
<b>Item</b>	<b>Significant Level (Kruskal-Wallis Test)</b>	<b>Mean Rank</b>						<b>Comments</b>
		<b>1-50</b>	<b>51-100</b>	<b>101-150</b>	<b>151-200</b>	<b>201-250</b>	<b>250 and more</b>	
Sustainability Commitment	.739	22.79	24.67	17	17	41.5	27.33	Retain the null hypothesis
Sustainability Motivators	.625	21.85	24.75	15	30	37.5	30.08	Retain the null hypothesis
CSR Commitment	.825	24.9	26.04	21	11	16.5	19.92	Retain the null hypothesis
CSR Motivators	.467	20.75	26.08	38	22	28	31.25	Retain the null hypothesis

Table 14 presents the correlation and significance of the number of employees on sustainability commitment, sustainability motivators, CSR commitment, and CSR motivators. Based on the significance level of each of the 4 items and using  $\alpha=0.05$ , we retain the null hypothesis, which means that the number of employees has a statistical effect on the 4 presented items.

## Business Type impact on sustainability and CSR factors

**Table 15 Company Type Hypothesis Testing**

<b>Company Type</b>				
<ul style="list-style-type: none"> <li>○ H7: The public sector has a more positive view towards sustainability commitment and motivators.</li> <li>○ H15: The public sector has a more positive view towards CSR commitment and motivators.</li> </ul>				
<b>Item</b>	<b>Significant Level (Kruskal-Wallis Test)</b>	<b>Mean Rank</b>		<b>Comments</b>
		<b>Private</b>	<b>Public</b>	
Sustainability Commitment	.823	23.38	25.17	Retain the null hypothesis
Sustainability Motivators	.798	23.8	25.33	Retain the null hypothesis
CSR Commitment	.810	23.82	25.25	Retain the null hypothesis
CSR Motivators	.128	22.84	31.92	Retain the null hypothesis

Table 15 presents the correlation and significance of the company type on sustainability commitment, sustainability motivators, CSR commitment, and CSR motivators. Based on the significance level of each of the 4 items and using  $\alpha=0.05$ , we retain the null hypothesis, which means that the company type has a statistical effect on the 4 presented items.

## Company Age impact on sustainability and CSR factors

**Table 16 Company Age Hypothesis Testing**

<b>Company Age</b>								
<ul style="list-style-type: none"> <li>○ H8: Companies with a long track record of working experience in the local market have a more positive view towards sustainability commitment and motivators.</li> <li>○ H16: Companies with a long track record of working experience in the local market have a more positive view towards CSR commitment and motivators.</li> </ul>								
Item	Significant Level (Kruskal-Wallis Test)	Mean Rank						Comments
		Less than 5	5 – Less than 10	10 – Less than 15	15 – Less than 20	20 – Less than 25	25 and more	
Sustainability Commitment	.585	26.56	18.94	29.69	21.92	29.67	21.86	Retain the null hypothesis
Sustainability Motivators	.580	26.19	18.25	20.62	22.25	31	27.21	Retain the null hypothesis
CSR Commitment	.613	22	17.5	27.19	23.08	31.33	25.86	Retain the null hypothesis
CSR Motivators	.971	24.31	22.31	27.12	25.67	20.67	23	Retain the null hypothesis

Table 16 presents the correlation and significance of the company age on sustainability commitment, sustainability motivators, CSR commitment, and CSR motivators. Based on the significance level of each of the 4 items and using  $\alpha=0.05$ , we retain the null hypothesis, which means that the company age has a statistical effect on the 4 presented items.

**Level of compatibility between sustainability and CSR factors  
(commitment and motivators)**

**Table 17 Compatibility Degree of Sustainability and CSR Commitment  
and Motivators in the Food Sector**

#	Directions	Mean	Std. Deviation	Percentage (%)	Compatibility Degree
1	Sustainability Commitment	2.0567	.58517	72.5%	Moderate
2	Sustainability Motivators	1.7541	.62894	88.2%	High
3	CSR Commitment	2.9196	.50902	48%	Low
4	CSR Motivators	2.0266	.63947	79.6%	Moderate
<b>Total</b>		2.18925	.059282	72%	Moderate

The compatibility degree presented in Table 17 is set based on the percentage testing to calculate the number of occurrences of each response chosen by the respondent and it consists of three levels: Low (less than 60%), Moderate (60% - less than 80%) and High (more than 80%) (De Lima et al., 2016).

Based on the results presented in Table 17, the percentage of compatibility and application of sustainability and CSR in the Palestinian food manufacturing sector is 72%, which is considered a moderate percentage. This table demonstrates the directions that were intended to be measured in this research.

These directions were selected in order to measure the extent of corporate commitment to applying sustainability and CSR and to measure the extent of existing motivators that either positively or negatively affect the applications of sustainability and CSR.

#### 4.7. Interviews Analysis

Table 18 represents the thematic analysis of the collected qualitative data; the analysis was conducted by identifying the codes, which represent the idea that was discussed followed by categorizing the issues discussed according to the codes. Finally, the themes of each set of codes were identified and the issues discussed.

**Table 18 Summary of identified codes and themes**

Codes	Issues Discussed	Initial/ Central Themes
Challenges	Sustainability applications	Sustainability practices
Governmental support	Policies	
Occupation’s limitations	Resources	
Financial Resources		
Hazardous materials	Waste disposal	
Engagement	Employees training	Employees engagement in sustainability planning
Knowledge development		
Teamwork		
Benefits	Strategic planning	
Occupation	Obstacles	Sustainability importance
Occupation	Barriers	
Governmental regulations		
Governmental support		
Community welfare	Drivers	
Customer loyalty		
Positive impact		
Complications	Applying CSR	CSR practices
Resource allocation		
Benefits	ISO26000	
Motivation	CSR objectives	
Benefits	Employees training	Employee engagement in CSR
Positive impact	Satisfaction	

Loyalty	CSR Projects	
Priority	Reducing poverty	Community engagement
Awareness	CSR Projects	
Community benefits		
Interest	Corporate governance support and interest	Governance
Support	Effects	

## Themes

This section will discuss the main themes of the thematic analysis:

- **Sustainability Practices**

Current sustainability practices in Palestine suffer from many challenges starting from the Israeli Occupation of the Palestinian land, the lack of governmental support for companies practicing sustainability principles, the financial limitations that hinder the applications of the three-pillars of sustainability (economic, social and environment), and the lack of proper methods of disposing hazardous materials produced from the manufacturing sector in general.

- **Employees Engagement in Sustainability Planning**

Corporations in Palestine often try to engage employees in sustainability planning, which results in developed knowledge with more awareness of organizational sustainability issues in the organization and an increased awareness of the employees regarding the importance of teamwork and sharpened teamwork skills. This would result in a more proficient manner of conducting business. At the same time, it would benefit the organization on the strategic level and sustainability planning should always be integrated into the strategic plan of the organization.



- **Sustainability Importance**

The importance of sustainability has resulted from its positive effects on the organizational performance due to the increased loyalty of employees and customers and the increased welfare of the community due to the image enhancement of the organization.

In the accomplishment of the positive impacts that the organization could have while applying sustainability, organizations in Palestine often face many obstacles and barriers that hinder the application of sustainability such as the Israeli occupation of the Palestinian lands. This could be considered as an obstacle that delays the application of sustainability but with enough persistence could be overcome. At other times, the Israeli occupation could be considered as a barrier that disallows the application of sustainability. Other barriers that exist in the Palestinian context are summarized in the lack of governmental supports and regulations. Government support could have a positive impact on sustainability application in Palestine. The lack of regulation in Palestine allows opportunists to exploit the current situation for their own interests to gain more profit without following the ethical methods in business development and work. Such an issue would pose a barrier for honest businesses and would reduce their competitiveness in the local market.

- **CSR Practices**

Current CSR practices in the Palestinian context are applied based on the food manufacturing sectors' belief of the benefit that applying CSR would bring to both the corporate and community levels as well as an

organization's motivation to help the community. However, in Palestine, applying CSR normally faces many complications, most of which are related to financial challenges since most of the Palestinian economy consists of small- to mid-sized companies. This forced some organizations to reallocate their CSR budget during the year to other more critical issues that are related to the survival of the organization. As stated by one of the interviewed CEOs, "if the company is broke, we cannot help the community. This is why we need to survive first."

- **Employee's Engagement in CSR**

CSR application in the food manufacturing sector in Palestine has positive impacts on organizations applying CSR, as it leaves positive perceptions in the mind of the community. This would increase customer loyalty, which is considered a key factor for organizations to survive and would lead to an increase in current and foresighted profits. In addition, the benefits that CSR application would have on employees through their development in training or while applying CSR projects and would ensure both customer and employees' satisfaction of the organization's performance in the Palestinian market compared to other sectors.

- **Community Engagement**

Raising awareness of the community is an important issue in applying CSR practices to evolve the mentality of the customer not to purchase products from corporations that do not apply CSR practices. This would ensure a better future for the Palestinian economy and community since corporations that apply CSR are contributing and prioritizing poverty

reduction in all of Palestine directly through their CSR projects or indirectly through being a model for other corporations.

- **Governance**

The corporate governance in the food manufacturing sector is a crucial factor to CSR and sustainability application. Most of the interviewed corporations are governed by their Board of Directors (BOD) for the strategic decisions while the corporation's CEOs make daily operational decisions. Since most of the Palestinian market consists of family businesses, most BODs consist of family members.

The interest and support of the BOD in CSR ensure its application and its budget allocation, and the methods of CSR practices application are different based on the views of each organization's governing body.

## **Chapter Five**

### **Discussion**

## **Chapter Five**

### **Discussion**

#### **5.1. Overview**

This chapter will present the discussion of the research results and outcomes based on the analysis of the qualitative and quantitative data collected in this research.

The first section will discuss the existing relations between sustainability and CSR through discussing the barriers, obstacles, and drivers for applying sustainability and CSR in the Palestinian organizational manufacturing sector, and the best practices for applying CSR in the Palestinian manufacturing sector. The second section will discuss the impact of corporate governance on sustainability and corporate social responsibility.

#### **5.2. Sustainability and CSR relations discussion**

The paucity of research around sustainability and CSR in the food sector in general and in the Palestinian food sector called for a fresh look and perspective as well as new guidelines. As an important aspect of this endeavor, this research has provided a composition of sustainability and CSR factors to discuss the relationship between them and how they affect the resources and growth of the corporations that employ them (clearly illustrated in the PLS analysis in Table 7), which contrasts the effect of each of the relationships on the other.

The fact that these factors and the relationships between them are currently driving international corporations in modern business practices. Those same factors are currently being applied in Palestinian food manufacturing corporations. As evidenced by the results, some factors have more effects than others (CSR motivators and sustainability motivators), which shows corporate interests in applying sustainability and CSR. Although the Palestinian food manufacturing sector corporations are interested in applying sustainability and CSR, it's obvious that they still lack the full commitment in applying them. According to the interviewed CEOs and seniors, this fact is attributed to their limited financial resources, lack of governmental support and commitment, and the tremendous negative effects of the Israeli occupation. This is in line with Alkabaji (2014) who stated that the level of applying sustainability and CSR in Palestine is very limited, but efforts are being made by many corporations to include sustainability and CSR in their annual reports.

Sustainability and CSR are still new terms in the Palestinian industry in general and, in particular, for the food manufacturing industrial sector. They are being applied rather randomly and without being cast in the right manner, as no real efforts were made to unify and truly implement the globally agreed methods of applying sustainability and CSR. In addition, according to Issa and Al Abbar (2015), Palestine was one of four countries to score low in the Human Development Index (HDI) of the UN Development Program along with Egypt, Syria, and Yemen, which is connected directly to the lack of the awareness in sustainability and CSR issues.

The results show surveyed staff believe that applying sustainability and CSR will positively affect the corporation's growth as well as community welfare, which is in line with what Tai and Chuang (2014) discussed in their research, namely, that sustainability and CSR have many benefits for both corporations and the community.

It's clearly shown in the analysis that corporations are applying sustainability and CSR based on their duties and commitments towards their own employees and the community. In addition, according to the interviewed CEOs and senior staff, sustainability and CSR applications are being financed from their budgets with small contributions from international NGOs. Furthermore, according to Labib Eid and Robert Sabella (2014), most CSR application initiatives that were conducted by the private sector were initially supported by other partners including NGOs. According to Labib Eid et al's. (2014) study regarding CSR in the Palestinian market found this kind of partnership between the private sector and the NGOs is essential to the visibility and image of the Palestinian corporations' food manufacturing sector, which is in line with the outcomes of this research.

### **5.3. The barriers, obstacles. and drivers for applying sustainability and CSR in the Palestinian food manufacturing sector**

Based on the analysis, sustainability and CSR factors posed strong relationships between each other, with some relationships being stronger than other such as CSR commitment and CSR motivators, and CSR commitment and sustainability motivators, which were attributed according

to the interviewed CEOs and senior staff of the Palestinian food manufacturing sector.

Many challenges are hindering the application of CSR and sustainability in the Palestinian context. Some of the main challenges are caused by the existence of an Israeli occupation in the Palestinian state, which controls the export/import ports and channels. Another challenge manifests in the lack of government support. This challenge is mostly due to the lack of policies and laws that regulate and obligate corporate adherence to sustainability and CSR practices. Financial resources are also considered as the main challenge that hinders corporate abilities and direct resources to survive in the local market. The methods of disposing industrial waste also need lots of improvement, as most of the industrial waste is being disposed of in dumps that are mainly equipped to deal with household waste. This could subsequently pose a great danger to the surrounding environment.

According to Czinkota (2014), many challenges affect the relationship between sustainability and CSR in Europe. These challenges were attributed to corporations' abilities to adapt to the never-ending changes in both European and global markets. These changes will weaken a corporation's ability to adapt to the social context, which contradicts with the outcomes of this research that attributed most of these relationship issues to external factors, which could be attributed to the demographical differences between the Palestinian and European cases.

According to the current results, the Palestinian food corporations are committing more and more to sustainability and CSR, which is clearly shown



in Table 17. This table presents the level of compatibility and application of both sustainability and CSR in the mentioned sector, which has reached a moderate level of 72%.

Sustainability and CSR are the reason for community welfare, which is reflected in the three pillars of sustainability (economic, environmental, and social). Moreover, adhering to CSR requirements would affect community welfare directly through increased salaries, allowing more fair wages and indirectly by not hiring children, allowing them to attend schools, and support them and the community, which would have a positive impact on the community in general. In a study conducted by Lozano (2015), the increase of corporate economic and political influence in today's market in addition to the increased power of the private sector along with many supporting regulations and many other factors have been drivers for a corporation's application of sustainability and CSR. Some of these drivers exist in the Palestinian food manufacturing sector while others still need to be lobbied to assist and support the applications of sustainability and CSR.

Based on the PLS-SEM analysis results, a corporation's commitment to applying CSR is directly linked with the applications of sustainability factors, as indicated in Table 7. According to the interview results, many corporations are currently applying CSR principles; some of these companies either have a published CSR policy or have embedded it in their strategic and action plans. Moreover, some corporations have linked CSR application with the principles of sustainability, which is in line with Hypotheses H1 and H2 in section 1.6. Thus, these corporations are

considering the three pillars of sustainability (social, economic, and environment) in their supply chain. Some are already taking more initiatives towards the environment than others, such as purchasing expensive filtering equipment. Others are sustaining the environment through their logistics and are purchasing less air-polluting vehicles and taking this aspect into consideration in the process of purchasing their vehicles. They are also offering incentives for their employees who come up with innovative ideas to sustain the environment such as methods of manufacturing garbage disposal. Additionally, they are also investing in noise reduction and other methods of sustaining the environment.

CSR and social responsibility are also being taken into consideration, as shown in Table 5, where CSR motivators posed the strongest composite reliability, which shows the level of attaining CSR. According to the interview results, CSR is taking special attention and is considered a key factor. Thus, some corporations are applying ISO26000 principles, which are in line with hypothesis H3 in section 1.6 and the PLS analysis result in section 4.2.2. In addition, the findings are also in line with what Laeey (2015) and Asrar ul Haq et al. (2017) argue, namely, the more a corporation commits to CSR as a strategic objective, the more it enhances its relationship with the surrounding community and builds its customer loyalty among other motivators (organizational commitment, employees' job satisfaction, corporate economic position, etc.).

Based on the analysis results in Table 6, sustainability motivators posed the second strongest factor. This factor includes the economic factor, which

could be attributed to a corporation's interest in their survival and growth. According to the interview results, the economic factor is also considered by the Palestinian food manufacturing sector's corporate owners and staff due to its importance in ensuring their survival and its importance in applying the other pillars (social and environment), which manifests in a corporation's willingness to expand and increase its financial resources and capabilities through investing in long- and short-term projects to ensure their sustainability.

#### **5.4. The best practices for applying corporate social responsibility in the Palestinian manufacturing sector**

According to the conducted PLS-SEM analysis, the research correlations were divided into four factors: sustainability commitment, sustainability motivators, CSR commitment, and CSR motivators. All these factors were correlated with each other to form the model; correlations were tested to explore further the way the factors affect each other.

Following the PLS-SEM analysis results, it is understood that when corporations are CSR committed, they will have CSR motivators. According to Lacey (2015) and Asrar-ul-Haq et al. (2017), the more a corporation commits to CSR as a strategic objective, the more it enhances its relationship with the surrounding community and builds its customers loyalty among other motivators (organizational commitment, employees' job satisfaction, corporate economic position, etc.).

If a corporation is committed to applying sustainability practices, they will also be committed to applying CSR practices, which is in line with what You et al. (2013) stated, namely, by focusing on CSR initiatives, corporations and governments can accomplish higher sustainability. Corporations are committing to sustainability principles more and more, as they are integrating sustainability into their strategic and action plans (Luzzini et al., 2015). Also, according to Jansson et al. (2017), sustainability and CSR commitment are clear in larger corporations, but small-medium size corporations are lagging in applying and committing to sustainability and CSR policies and practices.

CSR commitment and sustainability motivators posed one of the strongest correlations in the PLS-SEM analysis in section 4.2.2, which suggests that whenever a corporation is committed to CSR, it complies with and uses sustainability motivators such as waste reduction, recycling, energy conservation, reduction in water consumption, reduction in air pollutant, and the use of green practices such as in logistics and the fair treatment of staff. According to Dobbs et al. (2016), most corporations that are committed to applying CSR use sustainability motivators to increase their legitimacy among stakeholders and society. According to Hori et al. (2011), corporations usually commit to CSR practices and sustainability motivators due to the benefits that are returned to the company that is usually translated to instant profit and long-term sustainable economic development.

Sustainability commitment and CSR motivators are found to be the weakest correlation of this study, which suggests that a corporation that is

sustainability committed does not have to use and comply with CSR motivators. U.S. based corporations usually focus on financial justifications to justify their compliance to CSR motivators while EU based corporations turn to financial and sustainability justifications to justify their compliance with CSR motivators (Fifka, 2013; Prado-Lorenzo et al., 2008; Hartman et al., 2007).

Sustainability commitment and sustainability motivators are considered a weak correlation, which means that a corporation's commitment to sustainability does not necessarily mean that they will comply with sustainability motivators. This means that some corporations are applying some sustainability aspects when complying with true sustainability motivators mentioned in section 5.2.1.3. All of this contradicts with what Vintro et al. (2014) state, namely, that corporations that apply sustainability often have a strategic focus on waste reduction, recycling, energy preservation, and pollution prevention.

Corporations that comply with sustainability motivators often do comply with CSR motivators (ethics, morals, improving community relations, improving customer loyalty, motivating employees, improving the corporation's relationship with stakeholders, improving the corporation's economic performance, and enhancing the corporation's image). According to Rangan et al. (2015), applying sustainability motivators such as waste, energy, and emission reductions could increase CSR motivators such as employee motivation, customer loyalty, and enhancing the corporation's image and relationship with stakeholders, which in turn would improve the

economic performance of corporations. Other CSR motivators could also improve employees' outcomes and job satisfaction; the corporation will also start receiving more talented, qualified, and motivated staff (Renwick et al., 2013).

### **5.5. The impact of corporate governance on sustainability and corporate social responsibility**

This section will discuss the impacts and effects of corporate governance in the Palestinian food manufacturing sector regarding sustainability and CSR practices. Since most of the Palestinian food manufacturing sector corporations are family-owned businesses and governed by this body, decisions are made mostly based on the CEO's decision or the decision of the family, which directly affects sustainability and CSR practices. This is in line with what Michelin and Parbonetti (2012) present in their study about the effect of corporate governance on sustainability disclosure, specifically, that newly established companies do not have the time nor the resources to commit to sustainability and CSR while companies with a long track record of experience apply them as a strategic option.

Most of the interviewed corporation owners are second or third generation owners of the business. Thus, most of them showed a good amount of interest in sustainability and CSR, which could be dedicated to their extensive experience in working in this sector. This argument is backed by Burbano (2016) who discussed that with increased years of experience comes increasing interest and attention towards CSR and sustainability.

In general, Palestinian companies are SMEs and the food manufacturing sector is no different. While it has been noticed that most interviewed corporations showed an interest in working with CSR and sustainability and some have reported already applying these principles, most of them do not call them by their scientific terms. This contradicts with Horisch et al.'s (2015) study results, which found that with a larger company size, the knowledge and application of sustainability and CSR increase more than what is in SMEs. According to Neubauer and Lank (2016), the United States' economic backbone is family business; sustainability in family business is affected by many factors that include the cultural heritage of the corporation. Its implementation is also affected by those factors and yet these corporations do not yet have proper guidelines to apply sustainability in accordance with corporate governance.

In addition, most of the interviewed corporations were privately owned by families. As mentioned, the public-sector corporations tended to be more concerned with applying CSR and sustainability, which could be attributed to many things (financial resources, HR capacities, etc.). This contradicts Adams et al.'s. (2014) findings, which measured sustainability performance in the public sector. These authors argued that more than 80% of the private sector corporations are reporting sustainability performance measures either separately or within the annual financial report. On the other hand, the public sector where the study has taken place (Australia) rates alarmingly low in the use of the environmental and social pillars of sustainability.

Privately owned corporations in the Palestinian food manufacturing sector are mainly concerned with their survival due to many factors as reported by the interviewed CEOs and seniors of these companies. Some of the reported factors included high competition, a lack of governmental support, a lack of government policies to support the applications of CSR and sustainability, and other complications related to the Israeli occupation and their full control of all export/import channels. According to Luo et al. (2015), considering good corporate governance and applying good sustainability practices could ensure more investment opportunities for European corporations. Thus, the same could be applied in the Palestinian manufacturing food sector due to the existence of many multinational franchises strategically targeting the European markets.

## **5.6. Sustainability and CSR drivers and challenges**

According to the conducted analysis in section 4.2.4.9, sustainability and CSR are applied at a moderate level in the Palestinian food manufacturing sector and this application is affected by many demographic correlations and other factors. According to the interviewed CEOs and seniors of the Palestinian food manufacturing sector, sustainability and CSR are suffering from many challenges that hinder their application in the Palestinian context. Some of the main challenges are caused by the Israeli occupation in the West Bank along with the siege on the Gaza Strip, which allowed the Israelis to control the export/import channels and suffocate the Palestinian economy. This causes many distortions to everyday commercial processes. Other



challenges are caused due to the lack of governmental support and supervision of corporations and traders, which could come through many forms such as policies, direct financial support, and better taxation laws, to name a few.

According to Chowdhury's (2016) research into the main challenges of applying sustainability and CSR in the Bangladesh clothing manufacturing sector, it has been found that there are three main challenges for sustainability and CSR application; following corporate codes of conduct instead of self-driving initiatives, having great policies hanging on walls without being translated to practical implementation, and competence issues with weak internal/external communication.

According to the conducted analysis, many drivers encourage Palestinian food manufacturing corporations to apply sustainability and CSR such as energy conservation, reduction of water consumption, and reduction of air pollution, which could affect the economies of scale that would increase the production capabilities of corporations and reduce costs. Palestine is a developing country. It was described by one of the interviewed CEOs as follows: "Palestine thrives for ideas and any planned idea that could turn into business will succeed." Despite all the previously mentioned challenges, Palestine's economy, like all other economies, has its ups and downs. The Palestinian economy is described as a small, open economy (Sarsour and Dombrecht, 2016). Some of the drivers that could increase investor willingness to invest in Palestine is that the Palestinian economy still lacks many of the multinational brands and businesses, which have their own CSR

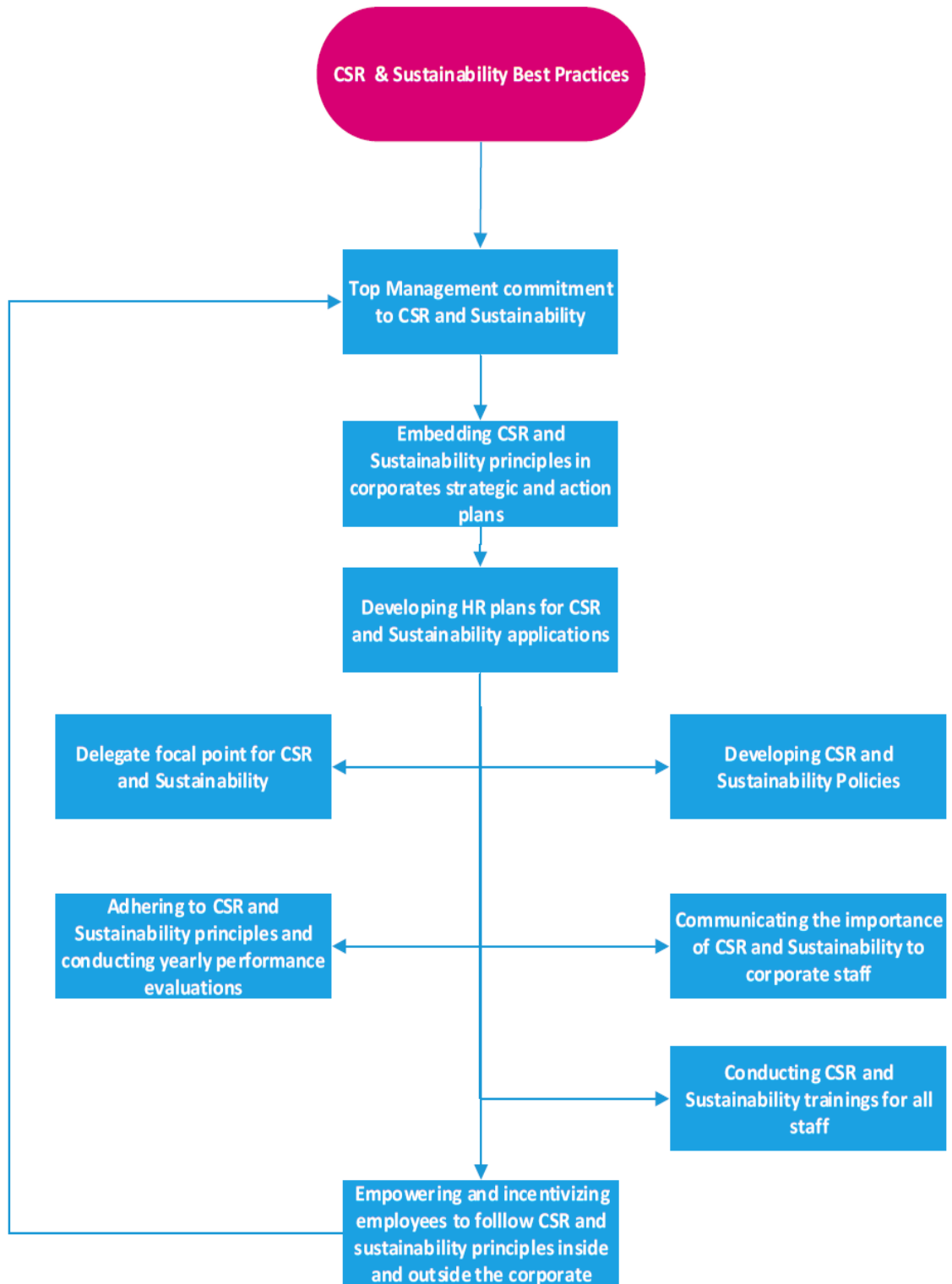
and sustainability policies that are applied in their outlets across the world. Another driver to applying sustainability and CSR comes from a corporation's experience of an increase in customer loyalty due to the application of CSR and sustainability standards.

According to Agudo-Valiente (2017), the main drivers for applying sustainability and CSR in Spain are integrating new managerial ideas with ethics, sustainable development, organizational commitment to transparency to increase stakeholders' confidence, philanthropy, enhancing corporate image through public relations, and fashion following. Some of the mentioned drivers exist in Palestine on different levels, which agrees with the results of the quantitative and qualitative analysis.

### **5.7. Framework Development**

The combination of surveys and semi-structured interviews shows that companies are concerned and interested in applying sustainability and CSR practices and committing to them. Furthermore, they believe that applying them would have a major role in affecting their working habits and their corporation's progress, which will lead to increased profits in the future.

The following framework was evaluated by three food industry arbitrators listed in Appendix V. Their comments and suggestions were taken into consideration during the development of this framework.



**Figure 16** Conceptual model for CSR and Sustainability best practices

The first step in a CSR and sustainability best practices conceptual model is ensuring top management commitment. In order to ensure their support in applying CSR and sustainability. Top management commitment would mean having enough budget and ensuring staff commitment, which would also ensure a more adaptive and responsive atmosphere for change.

The next step is embedding CSR and sustainability principles in corporate strategic and action plans, which would draw the broad lines for applying CSR and sustainability through strategic plans as well as detailing these plans in the day to day action plans.

Then, developing HR plans for CSR and sustainability applications, this step is crucial for the following steps, the HR departments normally in the Palestinian food sector, corporations handle all CSR and sustainability issues. They also hold the staff relations issues, which would benefit the applications of CSR and sustainability.

Following this, it's important to delegate a focal point for CSR and sustainability for staff referrals and inquiries. This focal point could be a HR staff member or staff from another functional unit. The focal point will act as the CSR and sustainability director and would ensure the best implementation of CSR and sustainability and will answer to the HR department and the top management. In parallel, CSR and sustainability policies will be developed based on the vision of each corporation. This process could include external consultants, senior officers, top management, and other related staff.

The next step will be communicating the importance of CSR and sustainability to corporate staff along with adhering to CSR and sustainability principles and conducting yearly performance evaluations. In this step, the staff should understand the importance of applying CSR and sustainability and their effects on corporate performance and the welfare of their community. In addition, the focal point along with the HR department should ensure that sustainability and CSR principles and policies are being applied.

In this step, CSR and sustainability training will be conducted for all staff to ensure their best implementation methodology and explain to the staff through real-life examples about how to handle CSR and sustainability each according to his/her post.

Finally, the trained staff should be empowered and incentivized to apply CSR and sustainability inside and outside the corporation. This could be through adding CSR and sustainability factors to the employee of the month contests or by having monetary or moral incentives throughout the year.

## **Chapter Six**

### **Conclusion and Recommendations**

## **Chapter Six**

### **Conclusion and Recommendations**

#### **6.1. Overview**

This chapter will discuss the fundamental conclusions and outcomes of this research, it will also discuss the recommendations provided for corporates to follow to ensure the best application of sustainability and CSR in the Palestinian food manufacturing sector, it will also discuss the limitations that were faced during the development of this study.

Finally, this chapter will discuss the possibilities of future research work that were concluded while conducting this study.

#### **6.2. Conclusion**

The main aim of this research is to investigate the current sustainability and CSR practices and the methods to improve current practices and discuss best practices from the literature that could improve the applications of sustainability and CSR in the Palestinian manufacturing sector.

Based on the study it has been found that there is a strong relationship between the applications of sustainability and CSR, this relation is affected by many factors which includes; the demographics of the corporate owners and staff, the continuously changing dynamics of the local market, community awareness of the importance of sustainability and CSR and their effects on community welfare, the Israeli occupation effects and control over export/import channels and local transportation roads, etc., all of which

could increase or decrease the positive relationship effects between sustainability and CSR factors and applications, the main conclusions of this research are listed below:

- ✓ The Palestinian food manufacturing sector corporates are applying sustainability and CSR in its most basic functions.
- ✓ Sustainability in Palestine is being applied through improving the supply chain and reducing the costs within.
- ✓ CSR is being applied through financial assistance provided to the community, attaining labor rights and following some SA8000 regulations and requirements.
- ✓ Some corporates are paying attention to global social responsibility and CSR certificates such as ISO26000 and SA8000, especially corporates that export to Europe.
- ✓ Sustainability's environmental pillar is the least of the concerns of the corporates, though corporates pay attention to it while purchasing new equipment (Machinery, vehicle, etc.).
- ✓ Corporates' CSR commitment factor has the strongest effect on other factors which indicates that when a corporate is committed to applying CSR it could affect its level of applying sustainability.
- ✓ Demographical specifications of corporates could have great effect on sustainability and CSR applications.
- ✓ Many challenges are hindering sustainability and CSR practices in Palestine such as; the Israeli occupation of the Palestinian territories, lack of governmental support and financial limitations.



### **6.3. Recommendations**

Based on the conclusion and results of this research, the following recommendations are advised to be followed to ensure the best results of sustainability and CSR application:

- ✓ Corporates are advised to apply sustainability and CSR.

Due to the crucial impact of sustainability and CSR on the survivability of the corporate and their strategic effects on corporates advancement and growth.

- ✓ Corporates are advised to invest in their HR capital through trainings, incentives and any other means.

In order to ensure the best application and commitment to sustainability and CSR practices corporates' HR teams should be involved in multiple trainings and awareness sessions regarding the best applications of sustainability and CSR.

Corporates should also incentivize their human resources to motivate them to apply sustainability and CSR, which could in turn affect directly the quality of HR capital work and performance.

- ✓ Investing in the surrounding environment and community.

Corporates who invest in the surrounding environment and community will gain more trust and loyalty from their in-house employees and their customers through improving corporates' image, which would ultimately lead to increased sales and enhance corporates financial position.

Following the developed framework in section 5.4 will lead to better results in sustainability and CSR applications which were developed based on the results of this research, the best practices of Palestinian food manufacturing corporates, the best practices of corporates worldwide and the best practices of the literature.

#### **6.4. Limitations of the study**

Many limitations were faced during the development of this study, which included:

- ✓ Targeting only the Palestinian food manufacturing sector caused limited generalizability.

This research has targeted specifically the Palestinian food manufacturing sector, and the outcomes of this research only apply to this case, and can't be generalized to other sectors without conducting similar studies to ensure that the attributes of this research are valid for other sectors.

- ✓ Limited number of samples due to the small size of the Palestinian food manufacturing sector corporates that adhered to the criteria that was set for this research (see section 3.5).

The size of the Palestinian food consumption market has been a limitation for this study, since this market is still a developing market and a criteria was set to ensure that only the corporates that meets the attributes of this research will be targeted to ensure the validity of the results.

- ✓ Paucity of previous literature and studies on the subject especially in the Palestinian food manufacturing sector, which is caused by sustainability and CSR being new terms.

Sustainability and CSR are new terms to the global market, which is also the case for the Palestinian food manufacturing sector, lack of sufficient literature and studies has caused a limitation to this study.

### **6.5. Future research work**

The main contributions of this research are providing a clear definition of CSR and sustainability factors (commitment and motivators) and their corresponding relationships, which has never been done for the Palestinian food manufacturing sector corporates.

Future research could explore other possibilities and the potential of CSR and sustainability applications. This can be achieved by using a more holistic perspective that includes the three sustainability pillars (social, environmental and economic) by repeating the same study in countries with a similar culture to Palestine, such as Jordan, Egypt, Syria, Lebanon and other MENA countries. In order to understand the methods of CSR and sustainability applications in each country, this study could also be expanded to include more sectors and study the impact of CSR and sustainability on each sector and explore the behavior of corporations in their application of CSR and sustainability. Furthermore, conducting comparison studies between sectors and/or countries to see the outcomes and results in reference to other studies in the explored locations and sectors could allow for a better

understanding of the pros and cons of CSR and sustainability applications. Future research could also include other dependent variables such as financial position, employee turnover and quality standards that measure the performance and the reputation of a corporations corporate before and after adhering to CSR and sustainability principles.

## References

- Adams, C., Muir, S., and Hoque, Z. (2014). *Measurement of sustainability performance in the public sector*. **Sustainability Accounting, Management and Policy Journal**, 5(1), 46-67.
- Afthanorhan, W. M. A. B. W. (2014). *Hierarchical component using reflective-formative measurement model in partial least square structural equation modeling (Pls-Sem)*. **International Journal of Mathematics**, 2(2), 33-49.
- Afzal, F., Lim, B., & Prasad, D. (2017). *An investigation of corporate approaches to sustainability in the construction industry*. **Procedia Engineering**, 180, 202-210.
- Agudo-Valiente, J. M., Garcés-Ayerbe, C., and Salvador-Figueras, M. (2017). *Corporate Social Responsibility Drivers and Barriers According to Managers' Perception; Evidence from Spanish Firms*. **Sustainability**, 9(10), 1821.
- Aguilera, R. V., Rupp, D. E., Williams, C. A., & Ganapathi, J. (2007). *Putting the S back in corporate social responsibility: A multilevel theory of social change in organizations*. **Academy of management review**, 32(3), 836-863.
- Ahmad, M. S. and Abu Talib, N. B. (2014). *Analysis of community empowerment on projects sustainability: Moderating role of sense of community*. **Soc Indic Res** 1205(014), 0781-9.

- Algozzine, B., and Hancock, D. (2016). *Doing case study research: A practical guide for beginning researchers. Teachers College Press.*
- Alkababji, M. W. (2014). *Voluntary Disclosure on Corporate Social Responsibility: A Study on the Annual Reports of Palestinian Corporations. European Journal of Accounting Auditing and Finance Research*, 2(4), 59-82.
- Ararat, M. (2006). *Corporate Social Responsibility across Middle East and North Africa.*
- Aras, G. and Crowther, D. (2012), *Governance and Social Responsibility: International Perspectives, Palgrave McMillan.*
- Arora, R., and Stoner, C. (2009). *A mixed method approach to understanding brand personality. Journal of Product and Brand Management*, 18(4), 272-283.
- Asrar-ul-Haq, M., Kuchinke, K. P., and Iqbal, A. (2017). *The relationship between corporate social responsibility, job satisfaction, and organizational commitment: Case of Pakistani higher education. Journal of Cleaner Production*, 142, 2352-2363.
- Bamgbade, J. A., Kamaruddeen, A. M., & Nawi, M. N. M. (2015). *Factors influencing sustainable construction among construction firms in Malaysia: A preliminary study using PLS-SEM. Revista Tecnica De La Facultad De Ingenieria Universidad Del Zulia (Technical Journal of the Faculty of Engineering, TJFE)*, 38(3), 132-142.
- Barakat, F. S., Pérez, M. V. L., & Ariza, L. R. (2015). *Corporate social responsibility disclosure (CSR) determinants of listed companies in*

- Palestine (PXE) and Jordan (ASE)*. *Review of Managerial Science*, 9(4), 681-702.
- Basu, A. (2016). *A Critical Analysis of CSR Funding of Few Selected Private and PSU Companies*. *Indian Journal of Applied Research*, 5(5).
  - Baumgartner, R. J. (2014). *Managing corporate sustainability and CSR: A conceptual framework combining values, strategies and instruments contributing to sustainable development*. *Corporate Social Responsibility and Environmental Management*, 21(5), 258-271.
  - Berger, R. (2009). *Green Tech Made in Germany*.
  - Bhardwaj, B. R. (2016). *Role of green policy on sustainable supply chain management: a model for implementing corporate social responsibility (CSR)*. *Benchmarking: An International Journal*, 23(2), 456-468.
  - Blombäck, A., and Scandellius, C. (2013). *Corporate heritage in CSR communication: a means to responsible brand image?*. *Corporate Communications: An International Journal*, 18(3), 362-382.
  - Bonett, D. G., and Wright, T. A. (2015). *Cronbach's alpha reliability: Interval estimation, hypothesis testing, and sample size planning*. *Journal of Organizational Behavior*, 36(1), 3-15.
  - Brammer, S., and Pavelin, S. (2005), *'Corporate Community Contributions in the United Kingdom and the United States,' Journal of Business Ethics*, 56, 15–26.

- Brenner, R. (2015). *Global Goal-Setting: How the Current Development Goal Model Undermines International Development Law*. **Mich. St. Int'l L. Rev.**, 24, 145.
- Brown, J. D. (2011). *Likert items and scales of measurement*. **Shiken: JALT Testing and Evaluation SIG Newsletter**, 15(1), 10-14.
- Brugmann, J., & Prahalad, C. K. (2007). *Cocreating business's new social compact*. **Harvard business review**, 85(2), 80.
- Bryman, A., and Bell, E. (2015). *Business research methods*. **Oxford University Press, USA**.
- Burbano, V. C. (2016). *Social responsibility messages and worker wage requirements: Field experimental evidence from online labor marketplaces*. **Organization Science**, 27(4), 1010-1028.
- Cao, M., & Zhang, Q. (2012). *Supply chain collaboration: Roles of interorganizational systems, trust, and collaborative culture*. **Springer Science & Business Media**.
- Chabrak, Nihel. (2015). *Promoting corporate social responsibility and sustainability: a model of integrity*. **Society and Business Review**, 10 (3) 280 - 305
- Chatzinikolaou, P., and Manos, B. *Review of existing methodologies and tools for measuring sustainability in rural areas*.
- Chatzoglou, P., Chatzoudes, D., Amarantou, V., & Aggelidis, V. (2017). *Examining the antecedents and the effects of CSR implementation: an explanatory study*. **EuroMed Journal of Business**, 12(2), 189-206.



- Chatzoudes, D., Papadopoulos, D., and Dimitriadis, E. (2015). *Investigating the impact of corporate social responsibility (CSR) policies: An empirical research*. **International Journal of Law and Management**, 57(4), 265-280.
- Clara C. Romero, K., & L. Lamadrid, R. (2014). *Rethinking corporate social responsibility within the sustainability agenda: Issues and challenges for Asian-based companies*. **Journal of Global Responsibility**, 5(2), 180-202.
- CNN/Money (2002), “*WorldCom scandal one of many*”, available at: [http://money.cnn.com/2002/06/26/news/companies/accounting\\_scandals](http://money.cnn.com/2002/06/26/news/companies/accounting_scandals)
- Collis, J., & Hussey, R. (2013). *Business research: A practical guide for undergraduate and postgraduate students*. Macmillan International Higher Education.
- Cook, T. D., and Payne, M. R. (2002). *Objecting to the objections to using random assignment in educational research*. **Evidence matters: Randomized trials in education research**, 150-178.
- Creswell, J. W. (2013). *Research design: Qualitative, quantitative, and mixed methods approaches*. Sage publications.
- Cukurova, M., Avramides, K., Spikol, D., Luckin, R., and Mavrikis, M. (2016, April). *An analysis framework for collaborative problem solving in practice-based learning activities: A mixed-method approach*. In *Proceedings of the Sixth International Conference on Learning Analytics and Knowledge* (pp. 84-88). ACM.

- Davis, A. K., Guenther, D. A., Krull, L. K., & Williams, B. M. (2015). *Do socially responsible firms pay more taxes?. The accounting review*, 91(1), 47-68.
- de Leaniz, P. M. G., and Ruiz, M. E. G. (2018). *Integrating Sustainability and CSR in the Value Chain of the Information Technology Sector*. In Encyclopedia of Information Science and Technology, Fourth Edition (pp. 3183-3193). IGI Global.
- de Lima, R. G., Lins, H. N., Pfitscher, E. D., Garcia, J., Suni, A., de Andrade, J. B. S. O., and Delle, F. C. R. (2016). *A sustainability evaluation framework for Science and Technology Institutes: an international comparative analysis*. *Journal of Cleaner Production*, 125, 145-158.
- Dijkstra, T. K., and Henseler, J. (2015). *Consistent and asymptotically normal PLS estimators for linear structural equations*. *Computational statistics and data analysis*, 81, 10-23.
- Dijkstra, T. K., and Henseler, J. (2015). *Consistent partial least squares path modeling*. *MIS quarterly= Management information systems quarterly*, 39(2), 297-316.
- Dobbs, S., Dobbs, S., van Staden, C., and van Staden, C. (2016). *Motivations for corporate social and environmental reporting: New Zealand evidence*. *Sustainability Accounting, Management and Policy Journal*, 7(3), 449-472.

- Dong, S., and Xu, L. (2016). *The impact of explicit CSR regulation: evidence from China's mining firms*. **Journal of Applied Accounting Research**, 17(2), 237-258.
- Duca, I., and Gherghina, R. (2018). *CSR Initiatives: An Opportunity for the Business Environment*. In **Ethics and Decision-Making for Sustainable Business Practices** (pp. 187-202). IGI Global.
- Eesley, C., and Lenox, M. J. (2006). *Firm responses to secondary stakeholder action*. **Strategic Management Journal**, 27(8), 765-781.
- ElGammal, W., El-Kassar, A. N., and Canaan Messarra, L. (2018). *Corporate ethics, governance and social responsibility in MENA countries*. **Management Decision**, 56(1), 273-291.
- Fatma, M., Rahman, Z., and Khan, I. (2014). *Multi-item stakeholder based scale to measure CSR in the banking industry*. **International Strategic Management Review**, 2(1), 9-20.
- Ferrero-Ferrero, I., Fernández-Izquierdo, M. Á., and Muñoz-Torres, M. J. (2015). *Integrating sustainability into corporate governance: an empirical study on board diversity*. **Corporate Social Responsibility and Environmental Management**, 22(4), 193-207.
- Fetters, M. D., Curry, L. A., and Creswell, J. W. (2013). *Achieving integration in mixed methods designs—principles and practices*. **Health services research**, 48(6pt2), 2134-2156.
- Fifka, M. S. (2013). *Corporate responsibility reporting and its determinants in comparative perspective—a review of the empirical*

- literature and a meta-analysis. Business strategy and the environment*, 22(1), 1-35.
- Fox, T. (2004). *Corporate Social Responsibility and Development: In quest of an agenda*. *Development*, 47(3), 29-36.
  - Francis, J. J., Johnston, M., Robertson, C., Glidewell, L., Entwistle, V., Eccles, M. P., and Grimshaw, J. M. (2010). *What is an adequate sample size? Operationalising data saturation for theory-based interview studies*. *Psychology and Health*, 25(10), 1229-1245.
  - Freeman, R. E., Harrison, J. S., Wicks, A. C., Parmar, B. L., and De Colle, S. (2010). *Stakeholder theory: The state of the art*. *Cambridge University Press*.
  - Friedman, T. L. (2006). *The world is flat: A brief history of the twenty-first century*. New York, NY: Farrar, Straus and Giroux.
  - Gadermann, A. M., Guhn, M., and Zumbo, B. D. (2012). *Estimating ordinal reliability for Likert-type and ordinal item response data: A conceptual, empirical, and practical guide*. *Practical Assessment, Research and Evaluation*, 17(3).
  - Gadotti, M. (2016). Education for sustainability-A critical contribution to the Decade of Education for Sustainable Development.
  - Garriga, E., and Mele', D. (2004), 'Corporate social responsibility theories: Mapping the territory, *Journal of Business Ethics*, 53, 1/2, 51–71.

- Giddings, B., Hopwood, B., and O'brien, G. (2002). *Environment, economy and society: fitting them together into sustainable development*. **Sustainable development**, 10(4), 187-196.
- Glass, C., Cook, A., and Ingersoll, A. R. (2016). *Do women leaders promote sustainability? Analyzing the effect of corporate governance composition on environmental performance*. **Business Strategy and the Environment**, 25(7), 495-511.
- Global Reporting Initiative (GRI). (2017). *Linking the GRI Standards and the SEBI BRR Framework Retrieved from*  
*<https://www.globalreporting.org/standards/resource-download-center/linking-the-gri-standards-and-the-sebi-brr-framework/>*
- Goodhue, D. L., Lewis, W., and Thompson, R. (2012). *Does PLS have advantages for small sample size or non-normal data?*. **Mis Quarterly**, 36(3), 891-1001.
- Gundersen, L. C. (2018). *SCIENTIFIC INTEGRITY AND ETHICAL CONSIDERATIONS FOR THE RESEARCH DATA LIFE CYCLE*. **Scientific Integrity and Ethics in the Geosciences**, 133-153.
- Haigh, N., Kennedy, E. D., & Walker, J. (2015). Hybrid organizations as shape-shifters: Altering legal structure for strategic gain. **California Management Review**, 57(3), 59-82.
- Hair, J. F., Ringle, C. M., and Sarstedt, M. (2013). Partial least squares structural equation modeling: Rigorous applications, better results and higher acceptance.

- Hair, J. F., Sarstedt, M., Ringle, C. M., and Mena, J. A. (2012). *An assessment of the use of partial least squares structural equation modeling in marketing research*. **Journal of the academy of marketing science**, 40(3), 414-433.
- Hanieh, A. A., Abdelall, S., Krajnik, P., and Hasan, A. (2015). *Industry-Academia Partnership for Sustainable Development in Palestine*. **Procedia CIRP**, 26, 109-114.
- Hart, S. and Milstein, M. (2003). Creating sustainable value. *Academy of Management Executive*, 17(2) 56-69
- Hartman, L. P., Rubin, R. S., and Dhanda, K. K. (2007). The communication of corporate social responsibility: United States and European Union multinational corporations. *Journal of Business Ethics*, 74(4), 373-389.
- Henseler, J., Dijkstra, T. K., Sarstedt, M., Ringle, C. M., Diamantopoulos, A., Straub, D. W., ... and Calantone, R. J. (2014). *Common beliefs and reality about PLS: Comments on Rönkkö and Evermann (2013)*. **Organizational Research Methods**, 17(2), 182-209.
- Henseler, J., Hubona, G., and Ray, P. A. (2016). *Using PLS path modeling in new technology research: updated guidelines*. **Industrial management and data systems**, 116(1), 2-20.
- Heuberger, R. and Brent, A. and Santos, L. and Sutter, C. and Imboden, D. (2005). *CDM projects under the Kyoto protocol: a methodology for sustainability assessment – experiences from South Africa and*

- Uruguay. Environment, Development and Sustainability* 2007(9), 33–48.
- Hindiye, M. Y., Abu-Daibes, M., and Salti, H. E. (2012). *Corporate Environmental Responsibility in Jordan: The Potential and Limits*. In **CSR in the Middle East** (pp. 114-135). Palgrave Macmillan UK.
  - Hori, M., Chen, Z., and Cheng, Y. (2011). *Motivations behind Corporate Social Responsibility: A case study of Arla Foods*.
  - Hörisch, J., Johnson, M. P., and Schaltegger, S. (2015). *Implementation of sustainability management and company size: a knowledge-based view*. **Business Strategy and the Environment**, 24(8), 765-779.
  - Hossain, M. M., Alam, M., Hecimovic, A., Hossain, M. A., and Lema, A. C. (2016). *Contributing barriers to corporate social and environmental responsibility practices in a developing country: A stakeholder perspective*. **Sustainability Accounting, Management and Policy Journal**, 7(2).
  - Huang, S. K. (2013). *The impact of CEO characteristics on corporate sustainable development*. **Corporate Social Responsibility and Environmental Management**, 20(4), 234-244.
  - Huber, L. R., Sloof, R., and Van Praag, M. (2017). *The effect of incentives on sustainable behavior: evidence from a field experiment*. **Labour Economics**, 45, 92-106.
  - Hur, W. M., Kim, H., and Jang, J. H. (2016). *The role of gender differences in the impact of CSR perceptions on corporate marketing*

- outcomes. Corporate Social Responsibility and Environmental Management*, 23(6), 345-357.
- Hutchins, M. J., and Sutherland, J. W. (2008). *An exploration of measures of social sustainability and their application to supply chain decisions. Journal of Cleaner Production*, 16(15), 1688-1698.
  - Ioannou, I., and Serafeim, G. (2017). *The consequences of mandatory corporate sustainability reporting.*
  - Irvine, A., Drew, P., and Sainsbury, R. (2013). ‘*Am I not answering your questions properly?*’ *Clarification, adequacy and responsiveness in semi-structured telephone and face-to-face interviews. Qualitative Research*, 13(1), 87-106.
  - Issa, N. S. C., and Al Abbar, S. D. (2015). *Sustainability in the Middle East: achievements and challenges. International Journal of Sustainable Building Technology and Urban Development*, 6(1), 34-38.
  - Ivankova, N. V., Creswell, J. W., and Stick, S. L. (2006). *Using mixed-methods sequential explanatory design: From theory to practice. Field methods*, 18(1), 3-20.
  - Jamali, D., and Sidani, Y. (2012). *Introduction: CSR in the Middle East: Fresh Perspectives.* In *CSR in the Middle East* (pp. 1-10). Palgrave Macmillan UK.
  - Jansson, J., Nilsson, J., Modig, F., and Hed Vall, G. (2017). *Commitment to Sustainability in Small and Medium-Sized Enterprises: The*



- Influence of Strategic Orientations and Management Values*. **Business Strategy and the Environment**, 26(1), 69-83.
- Joe Jr, F., Sarstedt, M., Hopkins, L., and Kuppelwieser, V. G. (2014). *Partial least squares structural equation modeling (PLS-SEM): An emerging tool in business research*. **European Business Review**, 26(2), 106-121.
  - Kenny, D. A. (2014). Measuring model fit.
  - Kock, N. (2015). *One-tailed or two-tailed P values in PLS-SEM?*. **International Journal**.
  - Kock, N., and Hadaya, P. (2016). *Minimum sample size estimation in PLS-SEM: The inverse square root and gamma-exponential methods*. **Information Systems Journal**.
  - Kolk, A. (2005). *Corporate Social Responsibility in the Coffee Sector:: The Dynamics of MNC Responses and Code Development*. **European Management Journal**, 23(2), 228-236.
  - Kuckertz, A., and Wagner, M. (2010). *The influence of sustainability orientation on entrepreneurial intentions—Investigating the role of business experience*. **Journal of Business Venturing**, 25(5), 524-539.
  - Kuhlman, T. and Farrington, J. (2010). *What is Sustainability?* [www.mdpi.com/journal/sustainability](http://www.mdpi.com/journal/sustainability) 2010 (2), 3436-3448;
  - Kuhlman, T., and Farrington, J. (2010). *What is sustainability?*. **Sustainability**, 2(11), 3436-3448.

- Kwarteng, A., Dadzie, S. A., and Famiyeh, S. (2016). *Sustainability and competitive advantage from a developing Economy*. **Journal of Global Responsibility**, 7(1).
- Eid, N., and Sabella, A. (2014). *A fresh approach to corporate social responsibility (CSR): partnerships between businesses and non-profit sectors*. **Corporate Governance**, 14(3), 352-362.
- Lacey, R., Kennett-Hensel, P. A., and Manolis, C. (2015). *Is corporate social responsibility a motivator or hygiene factor? Insights into its bivalent nature*. **Journal of the Academy of Marketing Science**, 43(3), 315-332.
- Lambert, V. A., and Lambert, C. E. (2012). *Qualitative descriptive research: An acceptable design*. **Pacific Rim International Journal of Nursing Research**, 16(4), 255-256.
- Landrum, N. E., and Ohsowski, B. (2018). *Identifying Worldviews on Corporate Sustainability: A Content Analysis of Corporate Sustainability Reports*. **Business Strategy and the Environment**, 27(1), 128-151.
- Larkin, P. M., Begley, C. M., and Devane, D. (2014). *Breaking from binaries—using a sequential mixed methods design*. **Nurse researcher**, 21(4), 8-12.
- Laroche, M., Bergeron, J. and Barbaro-Forleo, G. (2001), *“Targeting consumers who are willing to pay more for environmentally friendly products”*, **Journal of Consumer Marketing**, 18(6) 503-520

- Lebel, L., Tri, N. H., Saengnoree, A., Pasong, S., Buatama, U., and Thoa, L. K. (2002). *Industrial transformation and shrimp aquaculture in Thailand and Vietnam: pathways to ecological, social, and economic sustainability?*. **AMBIO: A Journal of the Human Environment**, 31(4), 311-323.
- Lee, C. J., and Moher, D. (2017). *Promote scientific integrity via journal peer review data*. **Science**, 357(6348), 256-257.
- Lehtonen, M. (2004). *The environmental–social interface of sustainable development: capabilities, social capital, institutions*. **Ecological economics**, 49(2), 199-214.
- Liang, H., & Renneboog, L. (2017). *On the foundations of corporate social responsibility*. **The Journal of Finance**, 72(2), 853-910.
- Lloret, A. (2016). *Modeling corporate sustainability strategy*. **Journal of Business Research**, 69(2), 418-425.
- Lim, J. S., & Greenwood, C. A. (2017). *Communicating corporate social responsibility (CSR): Stakeholder responsiveness and engagement strategy to achieve CSR goals*. **Public Relations Review**, 43(4), 768-776.
- Loewe, M. (2012). *Post 2015: How to Reconcile the Millennium Development Goals (MDGs) and the Sustainable Development Goals (SDGs)?*.
- Lozano, R. (2015). *A holistic perspective on corporate sustainability drivers*. **Corporate Social Responsibility and Environmental Management**, 22(1), 32-44.

- Lozano, R., Wang, H., Foreman, K. J., Rajaratnam, J. K., Naghavi, M., Marcus, J. R., ... and Lopez, A. D. (2011). *Progress towards Millennium Development Goals 4 and 5 on maternal and child mortality: an updated systematic analysis*. **The Lancet**, 378(9797), 1139-1165.
- Luo, X., Wang, H., Raithel, S., and Zheng, Q. (2015). *Corporate social performance, analyst stock recommendations, and firm future returns*. **Strategic Management Journal**, 36(1), 123-136.
- Luzzini, D., Brandon-Jones, E., Brandon-Jones, A., and Spina, G. (2015). *From sustainability commitment to performance: The role of intra-and inter-firm collaborative capabilities in the upstream supply chain*. **International Journal of Production Economics**, 165, 51-63.
- M. Wiernik, B., S. Ones, D., and Dilchert, S. (2013). *Age and environmental sustainability: a meta-analysis*. **Journal of Managerial Psychology**, 28(7/8), 826-856.
- Maas, S., & Reniers, G. (2014). *Development of a CSR model for practice: connecting five inherent areas of sustainable business*. **Journal of Cleaner Production**, 64, 104-114.
- Mack, L. (2010). *The philosophical underpinnings of educational research*.
- Mackey, A., and Gass, S. M. (2015). *Second language research: Methodology and design*. Routledge.
- Magee, L. and Scerri, M. and James, P. and Thom, J. A. and Padgham, L. and Hickmott, S. and Deng, H. and Cahill, F. (2012). *Reframing social*

- sustainability reporting: towards an engaged approach*. **Environ Dev Sustain** 2013(15), 225–243.
- Mani, M., Madan, J., Lee, J. H., Lyons, K. W., and Gupta, S. K. (2014). *Sustainability characterisation for manufacturing processes*. **International journal of production research**, 52(20), 5895-5912.
  - Mani, V., Agrawal, R., Sharma, V., & Kavitha, T. N. (2018). *Supply Chain Social Sustainability and Manufacturing*. **Technology Adoption and Social Issues: Concepts, Methodologies, Tools, and Applications: Concepts, Methodologies, Tools, and Applications**, 226.
  - Marshall, B., Cardon, P., Poddar, A., and Fontenot, R. (2013). *Does sample size matter in qualitative research?: A review of qualitative interviews in IS research*. **Journal of Computer Information Systems**, 54(1), 11-22.
  - Martinez-Conesa, I., Soto-Acosta, P., and Palacios-Manzano, M. (2017). *Corporate social responsibility and its effect on innovation and firm performance: An empirical research in SMEs*. **Journal of Cleaner Production**, 142, 2374-2383.
  - Martínez-Ferrero, J., Garcia-Sanchez, I. M., and Cuadrado-Ballesteros, B. (2015). *Effect of financial reporting quality on sustainability information disclosure*. **Corporate Social Responsibility and Environmental Management**, 22(1), 45-64.
  - Masri, H. A. (2016). *Assessing Green Human Resources Management Practices in West Bank: An Exploratory Study* (Master Thesis).

- Masri, H. A., and Jaaron, A. A. (2017). *Assessing green human resources management practices in Palestinian manufacturing context: An empirical study*. **Journal of Cleaner Production**, 143, 474-489.
- Matten, D., and Moon, J. (2004), 'Corporate Social Responsibility Education in Europe,' *Journal of Business Ethics*, 54, 4, 323–337.
- Mertens, D. M. (2014). *Research and evaluation in education and psychology: Integrating diversity with quantitative, qualitative, and mixed methods*. Sage publications.
- Michelon, G., and Parbonetti, A. (2012). *The effect of corporate governance on sustainability disclosure*. **Journal of Management and Governance**, 16(3), 477-509.
- Moratis, L. (2016). *Out of the ordinary? Appraising ISO 26000's CSR definition*. **International Journal of Law and Management**, 58(1), 26-47.
- Moser, C. A., and Kalton, G. (2017). *Survey methods in social investigation*. Routledge.
- Moyle, W., Fetherstonhaugh, D., Greben, M., and Beattie, E. (2015). *Influencers on quality of life as reported by people living with dementia in long-term care: a descriptive exploratory approach*. **BMC geriatrics**, 15(1), 50.
- Nemoto, T., and Beglar, D. (2014). *Likert-Scale Questionnaires*.
- Neubauer, F., and Lank, A. G. (2016). *The family business: Its governance for sustainability*. Springer.

- Neugebauer, S., Traverso, M., Scheumann, R., Chang, Y. J., Wolf, K., and Finkbeiner, M. (2014). *Impact pathways to address social well-being and social justice in SLCA—fair wage and level of education*. **Sustainability**, 6(8), 4839-4857.
- Newsom, J. T. (2017). *Some clarifications and recommendations on fit indices*. **PSY**, 510 – 610.
- Norris, G. A. (2001). *Integrating life cycle cost analysis and LCA*. **The international journal of life cycle assessment**, 6(2), 118-120.
- Opdenakker, R. (2006, September). *Advantages and disadvantages of four interview techniques in qualitative research*. In **Forum Qualitative Sozialforschung/Forum: Qualitative Social Research** (Vol. 7, No. 4).
- Palinkas, L. A., Horwitz, S. M., Green, C. A., Wisdom, J. P., Duan, N., and Hoagwood, K. (2015). *Purposeful sampling for qualitative data collection and analysis in mixed method implementation research*. **Administration and Policy in Mental Health and Mental Health Services Research**, 42(5), 533-544.
- Pan, Y. (2016, June). *Sustainability trends in financial services sector: Evidence from Europe and North America*. In **2016 13th International Conference on Service Systems and Service Management (ICSSSM)** (pp. 1-6). IEEE.
- Parmar, B. L., Freeman, R. E., Harrison, J. S., Wicks, A. C., Purnell, L., and De Colle, S. (2010). *Stakeholder theory: The state of the art*. **Academy of Management Annals**, 4(1), 403-445.

- Porter, M., & Kramer, M. (2006). *Estrategia y sociedad*. **Harvard business review**, 84(12), 42-56.
- Prado-Lorenzo, J. M., Gallego-Álvarez, I., García-Sánchez, I. M., and Rodríguez-Domínguez, L. (2008). *Social responsibility in Spain: Practices and motivations in firms*. **Management Decision**, 46(8), 1247-1271.
- Pruess, L. and Haunschild, A. and Matten, D. (2009) *The rise of CSR: implications for HRM and employee representation*. **The International Journal of Human Resource Management**, 20(4) 953-973,
- Rangan, K., Chase, L., and Karim, S. (2015). *The truth about CSR*. **Harvard Business Review**, 93(1/2), 40-49.
- Renwick, D. W., Redman, T., and Maguire, S. (2013). *Green human resource management: A review and research agenda*. **International Journal of Management Reviews**, 15(1), 1-14.
- Ringle, C. M., Ringle, C. M., Sarstedt, M., and Sarstedt, M. (2016). *Gain more insight from your PLS-SEM results: The importance-performance map analysis*. **Industrial Management and Data Systems**, 116(9), 1865-1886.
- Romero, K. and Lamadrid, R. (2014). *Rethinking corporate social responsibility within the sustainability agenda*. **Journal of Global Responsibility**, 5 (2) 180 – 202
- Rosati, F., Calabrese, A., Costa, R., and Pedersen, E. R. G. (2016). *The impact of gender, education and age on employee attitudes towards*



*corporate social responsibility*. In **Global Cleaner Production and Sustainable Consumption Conference**.

- Sachs, J. D. (2012). *From millennium development goals to sustainable development goals*. **The Lancet**, 379(9832), 2206-2211.
- Salganik, M. J., and Levy, K. E. (2015). *Wiki surveys: Open and quantifiable social data collection*. **PloS one**, 10(5), e0123483.
- Santiteerakul, S., Sekhari, A., Bouras, A., and Sopadang, A. (2015). *Sustainability performance measurement framework for supply chain management*. **International Journal of Product Development**, 20(3), 221-238.
- Sarsour, S., and Dombrecht, M. (2016). *Competitiveness assessment of the Palestinian economy: a long-run perspective*. **Middle East Development Journal**, 8(1), 65-83.
- Sarstedt, M., Ringle, C. M., Henseler, J., and Hair, J. F. (2014). *On the emancipation of PLS-SEM: A commentary on Rigdon (2012)*. **Long range planning**, 47(3), 154-160.
- Sarstedt, M., Ringle, C. M., Smith, D., Reams, R., and Hair, J. F. (2014). *Partial least squares structural equation modeling (PLS-SEM): A useful tool for family business researchers*. **Journal of Family Business Strategy**, 5(1), 105-115.
- Scotland, J. (2012). *Exploring the philosophical underpinnings of research: Relating ontology and epistemology to the methodology and methods of the scientific, interpretive, and critical research paradigms*. **English Language Teaching**, 5(9), 9.

- Shankardass, K., Renahy, E., Muntaner, C., and O’Campo, P. (2014). *Strengthening the implementation of Health in All Policies: a methodology for realist explanatory case studies*. **Health Policy and Planning**, 30(4), 462-473.
- Sharma, A. Lee, M, P. (2012). *Sustainable global enterprise: perspectives of Stuart Hart, Ans Kolk, Sanjay Sharma, and Sandra Waddock*. **Journal of Management Inquiry** 21(2) 161–178
- Shelby, L. B. (2011). *Beyond Cronbach's alpha: Considering confirmatory factor analysis and segmentation*. **Human dimensions of wildlife**, 16(2), 142-148.
- Shokravi, S., and Kurnia, S. (2014). *A Step towards Developing a Sustainability Performance Measure within Industrial Networks*. **Sustainability**, 6(4), 2201-2222.
- Siano, A., Vollero, A., Conte, F., & Amabile, S. (2017). *“More than words”: Expanding the taxonomy of greenwashing after the Volkswagen scandal*. **Journal of Business Research**, 71, 27-37.
- Siegel, D. S. (2009). Green management matters only if it yields more green: An economic/strategic perspective. *The Academy of Management Perspectives*, 5-16.
- Silvius, G. (2012). *Change the game: sustainability in projects and project management*. In **Green Business Process Management** (pp. 161-177). Springer, Berlin, Heidelberg.
- Singh, A. S., and Masuku, M. B. (2014). *Sampling techniques and determination of sample size in applied statistics research: An overview*.

- International Journal of Economics, Commerce and Management**, 2(11), 1-22.
- Singh, S., Olugu, E. U., Musa, S. N., and Mahat, A. B. (2018). *Fuzzy-based sustainability evaluation method for manufacturing SMEs using balanced scorecard framework*. **Journal of Intelligent Manufacturing**, 29(1), 1-18.
  - Singla, A., Ahuja, I. S., and Sethi, A. P. S. (2018). *Validation of technology push strategies for achieving sustainable development in manufacturing organizations through structural equation modeling*. **World Journal of Science, Technology and Sustainable Development**, 15(1), 72-93.
  - Smith, C. (2005). *Beyond convergence and divergence: explaining variations in organizational practices and forms*. In **The Oxford handbook of work and organization.**, pp. 602–625.
  - Snead, J. T., and Wright, E. (2014). *E-government research in the United States*. **Government Information Quarterly**, 31(1), 129-136.
  - Sridhar, K. (2010). *A multi-dimensional criticism of the Triple Bottom Line reporting approach*. **International Journal of Business Governance and Ethics**, 6(1), 49-67.
  - Stuckey, H. L. (2013). *Three types of interviews: Qualitative research methods in social health*. **Journal of Social Health and Diabetes**, 1(2), 56.
  - Tai, F. M., and Chuang, S. H. (2014). *Corporate social responsibility*. **Ibusiness**, 6(03), 117.

- Taylor, S. J., Bogdan, R., and DeVault, M. (2015). *Introduction to qualitative research methods: A guidebook and resource*. John Wiley and Sons.
- Thomas, A., Byard, P., Francis, M., Fisher, R., & White, G. R. (2016). *Profiling the resiliency and sustainability of UK manufacturing companies*. *Journal of Manufacturing Technology Management*, 27(1), 82-99.
- Thomas, A., Francis, M., John, E., and Davies, A. (2012). *Identifying the characteristics for achieving sustainable manufacturing companies*. *Journal of Manufacturing Technology Management*, 23(4), 426-440.
- Thomas, A., Pham, D. T., Francis, M., & Fisher, R. (2015). *Creating resilient and sustainable manufacturing businesses—a conceptual fitness model*. *International Journal of Production Research*, 53(13), 3934-3946.
- Tse, Y. K., Zhang, M., Doherty, B., Chappell, P., Moore, S. R., & Keefe, T. (2017). *Exploring the hidden pattern from tweets: Investigation into Volkswagen emissions scandal*. In *Supply Chain Management in the Big Data Era* (pp. 172-198). IGI Global.
- Vaismoradi, M., Turunen, H., and Bondas, T. (2013). *Content analysis and thematic analysis: Implications for conducting a qualitative descriptive study*. *Nursing and health sciences*, 15(3), 398-405.
- Vintro, C., Sanmiquel, L., and Freijo, M. (2014). *Environmental sustainability in the mining sector: evidence from Catalan companies*. *Journal of cleaner production*, 84, 155-163.

- Visser, W., & Tolhurst, N. (2017). *The world guide to CSR: A country-by-country analysis of corporate sustainability and responsibility*. Routledge.
- Wahyuni, D., Rankin, M., and Windsor, C. A. (2009, November). *Towards emissions trading: the role of environmental management systems in voluntarily disclosing greenhouse gas emissions*. In Accounting and Finance Association of Australia and New Zealand Conference.
- Watts, P., and Holme, L. (2000). *Corporate social responsibility: making good business sense*. World Business Council for Sustainable Development (WBCSD).
- Werhane, P. H. (2016). *Why do good people do bad things? Challenges to business ethics and corporate leadership*. In Business ethics: New challenges for business schools and corporate leaders (pp. 50-67). Routledge.
- Wieland, J. (2005). *Corporate governance, values management, and standards: A European perspective*. *Business and Society*, 44(1), 74-93.
- Wiengarten, F., Lo, C. K., and Lam, J. Y. (2017). *How does sustainability leadership affect firm performance? The choices associated with appointing a chief officer of corporate social responsibility*. *Journal of Business Ethics*, 140(3), 477-493.
- Willer, D. B. (2015). *Targeting Success. An Evaluation of Information Literacy Standards: A Mixed Method Approach Utilizing the*

*Judgments of National Board Certified Teachers* (Doctoral dissertation).

- Wong, K. K. K. (2013). *Partial least squares structural equation modeling (PLS-SEM) techniques using SmartPLS*. **Marketing Bulletin**, 24(1), 1-32.
- Woolcock, M. (2001). *The place of social capital in understanding social and economic outcomes*. **Canadian journal of policy research**, 2(1), 11-17.
- Yin, R. K. (2013). *Case study research: Design and methods*. Sage publications. 8.
- You, C. S., Huang, C. C., Wang, H. B., Liu, K. N., Un, C. H., and Tseng, J. S. (2013). *The relationship between corporate social responsibility, job satisfaction and organizational commitment*. **International Journal of Organizational Innovation (Online)**, 5(4), 65.

## Appendix I: Survey (Arabic)

تكامل المسؤولية الاجتماعية للشركات مع الاستدامة: دراسة حول القطاع الصناعي  
الغذائي في فلسطين

عزيزي المشارك،

تحية طيبة وبعد،،،

أدعوك للمشاركة في دراسة بحثية بعنوان: تكامل المسؤولية الاجتماعية للشركات مع الاستدامة:  
دراسة حول القطاع الصناعي الغذائي في فلسطين. ادرس حالياً ماجستير الإدارة الهندسية في  
جامعة النجاح الوطنية في نابلس وأنا في مرحلة كتابة رسالة الماجستير.

ستبقى اجاباتك سرية ومجهولة. ولن يتم نشر أي بيانات تشير الى هويتك.

إذا كنت قد وافقت على المشاركة في هذا البحث، ارجو الإجابة على أسئلة الاستبيان بأفضل طريقة  
ممكنة، سيأخذ الاستبيان من 10 - 15 دقيقة.

إذا كانت لديكم أي أسئلة حول المشروع، نرجو التوصل مع الباحث مازن ملاح على رقم

0599800201 او من خلال الإيميل [Mazenalmallah@gmail.com](mailto:Mazenalmallah@gmail.com)

شكراً لكم على مساعدتكم في تعبئة بيانات هذا الاستبيان.

مع تحيات

مازن ملاح

### الاستدامة (Sustainability):

الاستدامة كمفهوم بدأت من تقرير برودتلاند سنة 1987 (دونج، 2016). اهتم ذلك التقرير بالثغرة ما بين طموحات البشر نحو حياة افضل من جهة والقيود المفروضة من الطبيعة لمحدودية الموارد من جهة أخرى، تمت إعادة تعريف مفهوم الاستدامة ليشمل ثلاثة مجالات رئيسية البعد الاجتماعي، الاقتصادي، والبيئي (توماس، 2012).

### المسؤولية الاجتماعية للشركات (CSR):

المسؤولية الاجتماعية للشركات حسب الاتحاد الأوروبي هي مفهوم تقوم من خلاله الشركات بدمج الاهتمامات البيئية والاجتماعية في عمليات الشركة وفي تعاملاتهم مع أصحاب العلاقة على أسس طوعية".



تكمّل المسؤولية الاجتماعية للشركات مع الاستدامة: دراسة حول القطاع الصناعي الغذائي في فلسطين		
1. معلومات عامة		
ارجو وضع إشارة ✓ على إجابة كل سؤال		
النوع الاجتماعي	<input type="checkbox"/> ذكر <input type="checkbox"/> أنثى	1.
المستوى التعليمي	<input type="checkbox"/> تعليم ثانوي (توجيهي) <input type="checkbox"/> تعليم جامعي (بكالوريوس) <input type="checkbox"/> دراسات عليا	2.
المستوى الإداري	<input type="checkbox"/> إدارة عليا <input type="checkbox"/> إدارة وسطى <input type="checkbox"/> إدارة تشغيلية	3.
كم عمرك؟	<input type="checkbox"/> أقل من 30 <input type="checkbox"/> 30 الى أقل من 40 <input type="checkbox"/> 40 الى أقل من 50 <input type="checkbox"/> 50 الى أقل من 60 <input type="checkbox"/> 60 فما فوق	4.
كم عدد سنوات الخبرة التي لديك؟	<input type="checkbox"/> أقل من 5 <input type="checkbox"/> 5 الى أقل من 10 <input type="checkbox"/> 10 الى أقل من 15 <input type="checkbox"/> 15 الى أقل من 20 <input type="checkbox"/> 20 فما فوق	5.
كم عدد الموظفين والعمال في شركتكم؟	<input type="checkbox"/> 1 الى 50 <input type="checkbox"/> 51 الى 100 <input type="checkbox"/> 101 الى 150 <input type="checkbox"/> 151 الى 200 <input type="checkbox"/> 200 الى 250 <input type="checkbox"/> 251 وأكثر	6.
ما هو نوع الشركة التي تعمل بها؟	<input type="checkbox"/> شركة خاصة محدودة (LTD) <input type="checkbox"/> شركة عامة محدودة (LTD)	7.
منذ متى والشركة التي تعمل بها مسجلة لدى السلطات المعنية وتعمل في السوق الفلسطيني؟	<input type="checkbox"/> 1 الى أقل من 5 سنوات <input type="checkbox"/> 5 الى أقل من 10 سنوات <input type="checkbox"/> 10 الى أقل من 15 سنوات <input type="checkbox"/> 15 الى أقل من 20 سنة <input type="checkbox"/> 20 الى أقل من 25 سنة <input type="checkbox"/> 25 سنة فأكثر	8.

2. المسؤولية الاجتماعية للشركات (CSR)						
أرجو وضع دائرة حول جواب واحد لكل سؤال		موافق بشدة	موافق	محايد	معارض	معارض بشدة
1.	تقوم الشركة بإبلاغ العمال والموظفين بحقوقهم	1	2	3	4	5
2.	ترفض الشركة عمالة الاطفال	1	2	3	4	5
3.	تقوم الشركة بتنفيذ أنشطة ترفيهية للموظفين والعمال بصورة متواصلة	1	2	3	4	5
4.	تدعم الشركة مؤسسات المجتمع المدني	1	2	3	4	5
5.	يتواصل مسؤولو الشركة مع مؤسسات المجتمع المدني حول حقوق العمال والموظفين وأوضاع عملهم	1	2	3	4	5
6.	يوجد لدى الشركة مختص محاسبية اجتماعية او شخص ليتعامل مع القضايا الاجتماعية الخاصة بالموظفين والعمال	1	2	3	4	5
7.	لا تقوم الشركة بالتمييز بين الموظفين والعمال بناءً على النوع الاجتماعي أو الدين أو العرق... الخ	1	2	3	4	5
8.	قامت الشركة بتطوير وتوزيع سياسة المسؤولية الاجتماعية الخاصة بها	1	2	3	4	5
9	تدفع الشركة اجرة عمل إضافي حسب ما ينص عليه قانون العمل الفلسطيني	1	2	3	4	5
10	لدى الشركة نظام جزائي واضح ومعروف	1	2	3	4	5
11	تمتلك الشركة شهادة SA8000 أو ISO26000 او أي شهادة أخرى تتعلق بالمسؤولية الاجتماعية للشركات	1	2	3	4	5
12.	تقوم الشركة بتدريب الموظفين حول إجراءات السلامة	1	2	3	4	5
3. أرجو الإشارة الى أي مدى حفزت العوامل التالية شركتكم لتبنى سياسة المسؤولية الاجتماعية للشركات						
أرجو وضع دائرة حول جواب واحد لكل سؤال		موافق بشدة	موافق	محايد	معارض	معارض بشدة
1.	عوامل اخلاقية	1	2	3	4	5
2.	تحسين العلاقة مع المجتمع	1	2	3	4	5
3.	تحسين ولاء الزبائن	1	2	3	4	5
4.	تحفيز الموظفين	1	2	3	4	5

5.	تحسين العلاقة مع الشركاء والمستثمرين	1	2	3	4	5
6.	تحسين الوضع الاقتصادي	1	2	3	4	5
7.	تحسين صورة الشركة	1	2	3	4	5
8.	التزام اخلاقي لتقليل أثر الشركة على البيئة	1	2	3	4	5
9.	تقليل الفقر	1	2	3	4	5
10.	عوامل أخرى حفزت الشركة لتبني سياسة المسؤولية الاجتماعية للشركات، نرجو التحديد:	1	2	3	4	5
<b>4. الاستدامة</b>						
أرجو وضع دائرة حول جواب واحد لكل سؤال						
1.	انا على دراية بموضوع الاستدامة	1	2	3	4	5
2.	الشركة التي اعمل بها مستدامة اقتصادياً	1	2	3	4	5
3.	الشركة التي اعمل بها لديها سياسة استدامة مكتوبة	1	2	3	4	5
4.	الشركة التي اعمل بها لديها تأثيرات سلبية على البيئة المحيطة	1	2	3	4	5
5.	الشركة التي اعمل بها تنتج ضوضاء عالية والتي بدورها تؤثر على المحيط	1	2	3	4	5
6.	الشركة التي اعمل بها تنتج مواد خطرة	1	2	3	4	5
7.	الشركة التي اعمل بها لديها خطة لتقليل مخاطر	1	2	3	4	5
8.	الشركة التي اعمل بها لديها سياسة بيئية	1	2	3	4	5
9.	الشركة التي اعمل بها تعقد تدريبات للموظفين والعمال حول افضل الممارسات البيئية في عملهم	1	2	3	4	5
<b>5. أرجو الإشارة الى أي مدى تهتم شركتكم في التالي؟</b>						
أرجو وضع دائرة حول جواب واحد لكل سؤال						
1.	تقليل النفايات	1	2	3	4	5
2.	إعادة التدوير	1	2	3	4	5
3.	حفظ الطاقة	1	2	3	4	5
4.	تقليل استهلاك المياه	1	2	3	4	5
5.	تقليل تلوث الهواء	1	2	3	4	5
6.	الممارسات الجيدة بيئياً (الخضراء) مثل اللوجستيات	1	2	3	4	5
7.	المعاملة العادلة للموظفين والعمال	1	2	3	4	5
8.	أخرى، نرجو التحديد:	1	2	3	4	5

شكراً لكم على وقتكم واجاباتكم،،،

## **Appendix II: Survey (English)**

### **Integrating Corporate Social Responsibility and Sustainability: The Case of Palestinian Manufacturing Sector**

Dear Participant,

I invite you to participate in a research study entitled: **Integrating Corporate Social Responsibility and Sustainability: The Case of Palestinian Manufacturing Sector**. I am currently enrolled in the Master for **Engineering Management** Program at **An-Najah National University** in Nablus and am in the process of writing my Master's Thesis.

Your responses will remain confidential and anonymous. Data from this research will be kept under lock and key and reported only as a collective combined total. No one other than the researchers will know your individual answers to this Survey.

If you agree to participate in this project, please answer the questions on the survey as best you can. It should take approximately **15 minutes** to complete.

If you have any questions about this project, feel free to contact the researcher Mazen Mallah at 0599800201 or by email at [Mazenalmallah@gmail.com](mailto:Mazenalmallah@gmail.com).

Thank you for your assistance in this important endeavor.

Sincerely yours,

**Sustainability:**

Sustainability as a policy concept has its origin in the Brundtland Report of 1987. (Dong, 2016). That document was concerned with the tension between the aspirations of mankind towards a better life on the one hand and the limitations imposed by nature on the other hand. In the course of time, the concept has been re-interpreted as encompassing three dimensions, namely social, economic and environmental (Thomas et al., 2012).

**Corporate Social Responsibility (CSR):**

According to the European Commission “CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”.

## Integrating Corporate Social Responsibility and Sustainability: The Case of Palestinian Manufacturing Sector

### 6. General Information

Please tick one answer for each question

1.	Gender	<input type="checkbox"/> Male	<input type="checkbox"/> Female
2.	Highest earned education:	<input type="checkbox"/> High School Graduate (Tawjehi)	<input type="checkbox"/> Undergraduate Studies (Bachelor) <input type="checkbox"/> Graduate Studies (Master and PHD)
3.	To which managerial level does your position belong?	<input type="checkbox"/> Top-Level Management <input type="checkbox"/> Mid-level Management	<input type="checkbox"/> Operational Level
4.	What is your age?	<input type="checkbox"/> Less than 30 <input type="checkbox"/> 30 – less than 40 <input type="checkbox"/> 40 – less than 50	<input type="checkbox"/> 50 – less than 60 <input type="checkbox"/> 60 and more
5.	How many years of experience do you have?	<input type="checkbox"/> Less than 5 <input type="checkbox"/> 5 – less than 10 <input type="checkbox"/> 10 – less than 15	<input type="checkbox"/> 15 – less than 20 <input type="checkbox"/> 20 and more
6.	How many employees and	<input type="checkbox"/> 1 – less than 50 <input type="checkbox"/> 50 – less than 100 <input type="checkbox"/> 100 – less than 150	<input type="checkbox"/> 150 – less than 200

	workers work for your company?	<input type="checkbox"/> 200 – less than 250 <input type="checkbox"/> 250 and more
7.	What type of business is your company?	<input type="checkbox"/> Private Limited Company (LTD) <input type="checkbox"/> Public Limited Company (LTD)
8.	How many years have your company been registered and working in the Palestinian market?	<input type="checkbox"/> 1 - less than 5 years <input type="checkbox"/> 5 - less than 10 years <input type="checkbox"/> 10 - less than 15 years <input type="checkbox"/> 15 - less than 20 years <input type="checkbox"/> 20 - less than 25 years <input type="checkbox"/> 25 years and more

7. Corporate Social Responsibility						
Please circle <b>ONE</b> from <b>EACH</b> row		Strongly Disagree	Disagree	Undecided	Agree	Strongly agree
1.	The company informs employees and labors about their rights	1	2	3	4	5
2.	The company refuses child labor	1	2	3	4	5
3.	The company conducts frequent recreational activities for the employees	1	2	3	4	5

4.	The company supports civil society organizations	1	2	3	4	5
5.	The company officials contact's civil society organizations regarding staff rights and work situation	1	2	3	4	5
6.	The company has a social accountability specialist or someone to handle social causes among employees and labor	1	2	3	4	5
7.	The company doesn't discriminate between employees and labors ولي based on gender, religion, race, etc.	1	2	3	4	5
8.	The company developed and distributed its CSR policy	1	2	3	4	5



9	The company pays over time according to the Palestinian Labor Law	1	2	3	4	5
10	The company has a well-known punishment system	1	2	3	4	5
11	The company that I work for has SA8000 or ISO26000 or any CSR related certificate	1	2	3	4	5
12.	The company that I work for trains the employees about safety measures	1	2	3	4	5
<b>8. Please indicate the extent to which each of the following factors motivated your firm to undertake Corporate Social Responsibility(CSR).</b>						
Please circle <b>ONE</b> from <b>EACH</b> row		<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Undecided</b>	<b>Agree</b>	<b>Strongly agree</b>
1.	Ethical and moral reasons	1	2	3	4	5
2.	To improve community relations	1	2	3	4	5

3.	To improve customer loyalty	1	2	3	4	5
4.	To improve employee motivation	1	2	3	4	5
5.	To improve relations with business partners/ investors	1	2	3	4	5
6.	To improve economic performance	1	2	3	4	5
7.	To enhance corporate image	1	2	3	4	5
8.	A commitment to reducing the company's impact on the environment	1	2	3	4	5
9.	To reduce poverty	1	2	3	4	5
<b>9. Sustainability</b>						
Please circle <b>ONE</b> from <b>EACH</b> row		<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Undecided</b>	<b>Agree</b>	<b>Strongly agree</b>
1.	I am familiar with the word sustainability	1	2	3	4	5
2.	The company that I work for is	1	2	3	4	5

	economically sustainable					
3	The company that I work for has a written sustainability policy					
4.	The company that I work for has negative impacts on the surrounding environment	1	2	3	4	5
5.	The company that I work for produces loud noises that affects the surrounding area	1	2	3	4	5
6.	The company that I work for produces hazardous materials	1	2	3	4	5
7.	The company that I work for has risk mitigation plan	1	2	3	4	5
8.	The company that I work for has environmental policy	1	2	3	4	5

9.	The company that I work for conducted trainings to the employees and labors about the best environmental practices in their line of work	1	2	3	4	5
<b>10. To which extent do you agree that your company is interested in the following?</b>						
Please circle <b>ONE</b> from <b>EACH</b> row		<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Undecided</b>	<b>Agree</b>	<b>Strongly agree</b>
1.	Waste reduction	1	2	3	4	5
2.	Recycling	1	2	3	4	5
3.	Energy conservation	1	2	3	4	5
4.	Reduction of water consumption	1	2	3	4	5
5.	Reduction of air pollutant	1	2	3	4	5
6.	Green practices (Logistics)	1	2	3	4	5
7.	Fair treatment of staff	1	2	3	4	5

Thank you for your time and answers.

## **Appendix III: List of Interview Questions**

### **Interview consent form**

**Research title: Integrating Corporate Social Responsibility and Sustainability: The Case of Palestinian Manufacturing Sector.**

**Place:**

#### **Part 1: Interviewee part**

1. I agree to be interviewed for the purposes of the research named above.
2. The purpose and nature of the interview has been explained to me.
3. I agree that the interview may be electronically recorded to make it easier for researcher to analyze data.
4. The researcher has informed me that no names will be used or cited, and that identity of interviewees and companies will not be disclosed under any case.

Name of interviewee\_\_\_\_\_

Position/ Job title: \_\_\_\_\_

Signature of interviewee\_\_\_\_\_

**Part 2: Researcher Part.**

I have explained the nature of research to the interviewee and I have confirmed to participant that names will be kept anonymous and that information will be used for the sake of academic research only.

Name of interviewer: Mazen Mallah

Signature of interviewer\_\_\_\_\_

Date:

**• Corporate Social Responsibility (CSR)**

1. Do you consider your company as CSR applying organization, how is it applied in your organization, to what extent is it applied?
2. How do you define CSR in your company?
3. How much of the company's budget was allocated for CSR activities in 2015?
4. How much of the company's budget was allocated for CSR activities in 2015?
5. Do you have ISO 26000 that is concerned with CSR, what were its effects?
6. How do you measure the success and progress of CSR initiatives that started in 2016 or continued from previous years?
7. What are the objectives of CSR policy in your organization?
8. Could you mention some specific things that the company has done for the community?

9. To what extent are you satisfied with what you have done?
10. Do you have CSR projects?
11. Are you involving the employees in the planning and implementation of these projects?
12. If yes, how are you involving them?
13. Is it beneficial to the whole community? If yes, how?
14. To what degree does your company participate in reducing poverty in Palestine?
15. What governs your organization? who is in charge? (Is it governed by its statute, does it have a Board of Directors, does the BOD influence the CEO, etc.)
16. Define corporate governance from your point of view?
17. How does corporate governance work in your organization?
18. What are corporate governance effects on SR?

• **Sustainability**

1. Are you familiar with the term sustainability?
2. Which is the most important of the three pillars of sustainability (Social, Environmental and economic) to your organization?
3. What does sustainability stand for in your organization?
4. Does the company produce any harmful effects to the environment? How?
5. Do you consider sustainability in your strategic and action plans?
6. What is your methodology in applying the concepts of sustainability?
7. From your point of view:
  - What are the obstacles for applying sustainability in Palestine?

- What are the barriers for applying sustainability in Palestine?
- What are the drivers for applying sustainability in Palestine?

#### **Appendix IV: List of survey and interview questions arbitrators**

#	Arbitrator Code	Arbitrator Background	Arbitrator title	Arbitrator experience (Years)
1	Arbitrator Y	Academic, food industries	Professor	13 years
2	Arbitrator M	Academic	Professor	12 years
3	Arbitrator S	Food industries	HR manager	15 years

#### **Appendix V: List of framework arbitrators**

#	Arbitrator Code	Arbitrator Background	Arbitrator title	Arbitrator experience
1	Arbitrator A	Food industries	CEO	14 years
2	Arbitrator S	Food industries	HR manager	15 years
3	Arbitrator AQ	Food industries	CEO deputy	11 years



## Appendix VI: Normality Test

Column	K-S Dist.	K-S Prob.	SWilk W	SWilk Prob
Col 1	0.453	<0.001	0.560	<0.001
Col 2	0.407	<0.001	0.676	<0.001
Col 3	0.310	<0.001	0.750	<0.001
Col 4	0.256	<0.001	0.858	<0.001
Col 5	0.214	<0.001	0.878	<0.001
Col 6	0.328	<0.001	0.644	<0.001
Col 7	0.520	<0.001	0.393	<0.001
Col 8	0.192	<0.001	0.864	<0.001
Col 9	0.309	<0.001	0.755	<0.001
Col 10	0.427	<0.001	0.545	<0.001
Col 11	0.267	<0.001	0.884	<0.001
Col 12	0.300	<0.001	0.786	<0.001
Col 13	0.288	<0.001	0.862	<0.001
Col 14	0.207	<0.001	0.903	<0.001
Col 15	0.337	<0.001	0.697	<0.001
Col 16	0.253	<0.001	0.870	<0.001
Col 17	0.320	<0.001	0.706	<0.001
Col 18	0.308	<0.001	0.829	<0.001
Col 19	0.195	<0.001	0.916	0.002
Col 20	0.303	<0.001	0.726	<0.001
Col 21	0.345	<0.001	0.724	<0.001
Col 22	0.289	<0.001	0.747	<0.001
Col 23	0.338	<0.001	0.711	<0.001
Col 24	0.301	<0.001	0.779	<0.001
Col 25	0.292	<0.001	0.767	<0.001
Col 26	0.268	<0.001	0.761	<0.001
Col 27	0.269	<0.001	0.662	<0.001
Col 28	0.272	<0.001	0.796	<0.001
Col 29	0.285	<0.001	0.765	<0.001
Col 30	0.241	<0.001	0.835	<0.001
Col 31	0.318	<0.001	0.811	<0.001
Col 32	0.190	<0.001	0.909	0.001
Col 33	0.264	<0.001	0.847	<0.001
Col 34	0.289	<0.001	0.810	<0.001
Col 35	0.360	<0.001	0.680	<0.001
Col 36	0.298	<0.001	0.846	<0.001
Col 37	0.309	<0.001	0.840	<0.001
Col 38	0.296	<0.001	0.858	<0.001
Col 39	0.262	<0.001	0.763	<0.001
Col 40	0.235	<0.001	0.841	<0.001
Col 41	0.350	<0.001	0.717	<0.001
Col 42	0.285	<0.001	0.801	<0.001
Col 43	0.272	<0.001	0.796	<0.001
Col 44	0.295	<0.001	0.852	<0.001
Col 45	0.257	<0.001	0.813	<0.001
Col 46	0.104	0.224	0.932	0.009
Col 47	0.116	0.109	0.857	<0.001
Col 48	0.127	0.055	0.973	0.355
Col 49	0.0968	0.317	0.966	0.180

جامعة النجاح الوطنية  
كلية الدراسات العليا

## تكامل المسؤولية الاجتماعية للشركات والاستدامة: دراسة حول القطاع الصناعي في فلسطين

إعداد  
مازن ملاح

إشراف  
د. أيهم جعرون

قدمت هذه الأطروحة استكمالاً لمتطلبات الحصول على درجة الماجستير في الإدارة الهندسية بكلية الدراسات العليا في جامعة النجاح الوطنية في نابلس، فلسطين.

2018م

ب

تكامل المسؤولية الاجتماعية للشركات والاستدامة: دراسة حول القطاع الصناعي في فلسطين

إعداد

مازن ملاح

إشراف

د. أيهم جعرون

## الملخص

تعتبر المسؤولية الاجتماعية للشركات والاستدامة من اهم التوجهات في نظام التجارة العالمي الحديث، معظم الشركات العابرة للقارات والتي تعمل في اكثر من دولة تبنت ادماج مبادئ وسياسات المسؤولية الاجتماعية للشركات والاستدامة في خططها الاستراتيجية.

لم يتم دراسة الارتباط بين تطبيقات المسؤولية الاجتماعية للشركات والاستدامة لشركات القطاع الصناعي الغذائي الفلسطيني من قبل، حيث ان هذه الدراسة تستكشف هذه الروابط واثرها على اداء الشركات من خلال تحديد الحواجز والمعوقات والمحفزات للممارسات المستدامة، والبحث في اثر عوامل الاستدامة على عوامل المسؤولية الاجتماعية للشركات، واستكشاف اثر عوامل المسؤولية الاجتماعية على عوامل الاستدامة، واستكشاف كيفية تأثير المسؤولية الاجتماعية للشركات والاستدامة على بعضها البعض.

يستخدم هذا البحث منهجية التسلسل المختلط في جمع البيانات باستخدام ادوات جمع البيانات الكمية والنوعية، حيث يتم جمع البيانات الكمية باستخدام الاستبانات ويتم جمع البيانات النوعية من خلال المقابلات مع مدراء من شركات القطاع الصناعي الغذائي في فلسطين. تم تحليل البيانات الكمية باستخدام نموذج المعادلة الهيكلية لطريقة المربعات الصغرى الجزئية ( Partial Least Squares Structural Equation Modeling)

وطريقة كروسكال واليس (Kruskal-Wallis)، بينما تم تحليل البيانات النوعية باستخدام طريقة التحليل المواضيعي (Thematic Analysis) حيث تم استخدام نتائج تحليل البيانات النوعية لتفسير نتائج تحليل البيانات الكمية.

اظهرت نتائج هذا البحث بأن المسؤولية الاجتماعية للشركات والاستدامة يتم تطبيقها في شركات القطاع الصناعي الغذائي في فلسطين بوظائفها الاساسية من خلال تطوير عمليات سلاسل الامداد وتقليل التكاليف

يتم تطبيق المسؤولية الاجتماعية للشركات من خلال المساعدات المالية على شكل اعمال خيرية للمجتمع، والحفاظ على حقوق العمال، والخضوع لبعض معايير SA8000 المساءلة الاجتماعية، بعض الشركات لديها شهادات خاصة بالمسؤولية الاجتماعية مثل شهادتي معايير SA8000 وISO26000 ويتم اخضاع هذه الشركات للفحوصات الدورية بناء على ذلك.

يوجد ارتباطات قوية بين عوامل المسؤولية الاجتماعية للشركات (الالتزام والمحفزات) وعوامل الاستدامة (الالتزام والمحفزات)، حيث ان عامل التزام الشركات بالمسؤولية الاجتماعية اظهر اقوى علاقة مع باقي العوامل والذي يدل على ان تطبيق الشركات للمسؤولية الاجتماعية من الممكن ان يؤثر على مستوى تطبيق الشركات للاستدامة. حظيت الركيزة البيئية بأقل اهتمام من قبل شركات القطاع الصناعي الغذائي في فلسطين الذين يولون جل اهتمامهم في المواد والاليات الخاصة بعملية التصنيع وسلسلة الموارد. أظهرت العوامل الديموغرافية ارتباطاً قوياً مع مستوى تطبيق المسؤولية الاجتماعية للشركات والاستدامة.

العديد من التحديات لا زالت تعوق عملية تطبيق المسؤولية الاجتماعية للشركات والاستدامة مثل الاحتلال الإسرائيلي للضفة الغربية، وشح الدعم الحكومي لتطبيقها بالإضافة الى العوائق المالية. نتج عن هذا البحث تطوير إطار عمل يقدم أفضل الممارسات للشركات الراغبة بتطبيق مبادئ المسؤولية الاجتماعية والاستدامة في القطاع الصناعي الغذائي في فلسطين. حيث أن من أهم مخرجات هذا البحث هو اكتشاف علاقة قوية بين المسؤولية الاجتماعية والاستدامة وتتأثر هذه العلاقة بالعديد من العوامل مثل العوامل الديموغرافية لأصحاب العلاقة والوعي المجتمعي وتغيرات السوق الفلسطيني وسيطرة الاحتلال الاسرائيلي على الحدود وطرق النقل المختلفة، حيث تؤثر كل هذه العوامل على مدى إهتمام الشركات في تطبيق المسؤولية الاجتماعية والاستدامة. وتتلخص قيمة هذا البحث في التحقق من عوامل المسؤولية الاجتماعية والاستدامة وعرض أثارها على أداء القطاع الصناعي الغذائي في فلسطين والتي يتم استعراضها لأول مرة لهذا القطاع.