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The Impacts of Sustainability Practices Disclosure on Financial Performance: Jordan Commercial Banks

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Abstract:
This research paper focused on assessing the impact of disclosure degree of sustainability practices, particularly factors influencing the disclosure level on dimensions (social, ecological, and economic) on financial performance for Jordan Commercial Banks. The data collected from the financial statements and annual reports of Jordan Commercial Banks for the period (2014-2018). The findings indicate relative convergence among Jordan Commercial Banks in the level of economic dimension. Moreover, the interest of Jordan Commercial Banks in the disclosure of the fields that reflect their abilities in increasing or magnifying their economic value and remaining in the market. In addition, the main recommendations of this study is raise awareness among Jordanian commercial banks seeking Global leadership concerning the importance of disclosure about sustainability practices and the positive impact achieved by disclosure about the mental picture for banks and formulating its future policies.

***Keywords**: Financial Performance, Jordan Commercial Banks, Degree of Sustainability Practices.*

1.1. Introduction

Sustainability reports considers as one of the latest accounting or financial development phases. It is as a source of essential information for achieving sustainability development in various business organizations. Also, it is a key element in planning and implementing the policies of social and economic development because the process of determining the factors impacting the degree of disclosure about sustainability accounting elements is an issue of extreme importance for both internal and external alike (Alshehhi, Nobanee, and Khare, 2018; Abualoush, 2015). It is attributed to the fact that the current trend is heading toward the disclosure about sustainability accounting elements (social, ecological, and economic) for the business organizations that came within the general framework of accounting disclosure due to the interest of governmental or non-governmental organizations in the process of achieving development. Similarly, the pressure exerted on international bodies concerning the disclosure about sustainability accounting elements for the purpose of both protecting and developing it. All of which stem from the adoption of sustainability accounting concept as an optimal method for carrying out business (Endrikat and Guenther, Hoppe 2014 & Ameer and Othman, 2012).

The banks that adopt such concept can prosper and thrive on the long run. Likewise, it increases the bank value and decreases the impacts of the economic crisis on the financial position of the bank that might be achieved by a motivating vision for a business environment that might achieve specific goals by performance measurement for social,

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ecological, and economic dimensions, issuing reports on the results of this measurement. It is worth mentioning that the significance of this concept for banks is deduced by the degree of disclosure for these dimensions. Accordingly, attention must be paid to such type of disclosure that works towards achieving sustainability accounting for constructing a sustainable and sound economy (Haffar and Searcy, 2017).

As such, this study aims at investigating all the issues related with the degree of disclosure about sustainability practices, particularly the factors influencing the level of disclosure about the following dimensions, namely social, ecological, and economic dimensions on financial performance of Jordan Commercial Banks. Knowing that various factors and determinants which determine the level of the current disclosure about sustainability reports based on the instructions of global reports initiative (Abu Zer and Al-Otoom, 2016).

Sustainability development includes not only ecological aspect, but also social aspects. Thus, it is a development has three interconnected and integrated dimensions within interactive framework that is attributed with control, organization, and rationalization. Owing to this importance, the concentration on tackling these dimensions would enhance tangible progress. In other words, it is regarded as an overall interconnected and integrated system within interactive framework. Each subsystem represents an essential foundation and dimension to embody it. These dimensions boil down as follows:

Economic Dimension: it manifests by meeting the demands and physical requirement of the human by both production and depreciation that varies between developed and developing countries. Sustainable development in rich countries is embodied in continuous reduction from the levels of wasteful depreciation by improving efficiency. Provided not exploiting environmental pressure to the developed countries. In addition, sustainability accounting defines as changing consumption patterns which threat biological diversity and animal products to go extinct. On the other hand, sustainability accounting for poor countries is regarded as using resources for improving standards of living and reducing poverty that is closely related with degradation of the environment and rapid population growth (Haffar and Searcy,2017 & Aguinis and Glavas, 2012).

Social Dimension: it considers human as its key focus and essence a mean and goal at the same time. Also, it includes the concept of human development which seeks to stabilize the demographic growth, achieves the highest level of popular participation in development planning, and improves governments' ability to provide various services to the residents (Chernev & Blair, 2015 & Rettab et,al., 2009).

Ecological Dimension: this dimension is of a great importance in tackling the relation of development with ecology by establishing its basis and defining its borders. It should be noted that sustainability development depends on managing the responsibility of both human and natural resources that meets the needs of current generations and maintains the interests of subsequent generations. All of which reflect the challenge facing both individuals and communities which requires exerting great efforts for raising the awareness of this problem (Zarei Mohammadian and Ghasemi, 2016).

The instructions of preparing the reports issued from global reports initiative indicated the method of using the fourth issue (fourth generation) by experienced and inexperienced employee in preparing sustainable reports and procedures that shall be taken into account in the preparation of reports. In conclusion, the general conceptual framework for reports tackle the possibility of applying all the sectors regardless its size or activity (Golicic, et al., 2013). In addition, the guiding principle clarified the principles for preparing reports and standardized disclosure for sustainability that is applied by either company or bank. Accordingly, disclosure indicators classified into three categories. It explained and clarified the adopted method by the management for responding

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to the economic, ecological, and social impacts. It has provided a method for measuring the performance of risk management and exploiting the opportunities offered (Xiao et al., 2013).

Several researchers agreed with Wang, Subramanian, Gunasekaran, Abdulrahman and Liu (2015) in terms of considering sustainable development according to both methodology and analysis aspects despite of the interrelated components. To clarify, the economists concentrate on the economic goals above any others. Similarly, the ecologists confirm the importance of protecting environment. Likewise, the socialists underline the principles of social justice and improvement of life quality. Thus, the definitions of sustainability vary according to the difference in perceptions.

Therefore, from researchers' perspective, the three dimensions of optional disclosure, namely social, ecological, and economic affect both the stock market value and its financial performance. Some studies such as (Ball, et al, 2014) indicated that there is a relation between economic, ecological, and social voluntary disclosure and the market value for share. In addition, it is affected by the degree of disclosure since the conservative banks in the process of optional disclosure is negatively impact on the market value and significantly impact on stakeholders' decisions (Adelopo, 2011).

1.2 The Significance of the Study

It stems from the practical aspect by knowing the variables affecting the extent of disclosure from the dimensions of sustainability reports. Accordingly, this study has a great importance because sustainability development has become a significant factor in the world, particularly for the banks that are required to contribute to fulfill the ecological, social, and accounting responsibilities. In addition, the study has a scientific significance in terms of adding significant information because it tried to investigate the impact of the sustainability practices disclosure about the financial performance in Jordan Commercial Banks. The study seeks to accomplish the following objectives:

1- Acknowledging the real benefits for sustainability reports for banks and companies.
2- Acknowledging the real practices for sustainability reports.
3- Knowing the impact of disclosure about sustainability reports on financial performance for Jordan Commercial Banks.

3.1 The Questions of the Stud

The problem of the study lies in not knowing the impact of various factors and determinants that define the level of disclosure of the current practices of Jordan Commercial Banks about the sustainability reports according to the instructions of the global reports initiative and their financial performance that, in turn, drives us to answer the following questions:

-First Primary Question: is there any impact of sustainability practices (disclosure for economic, ecological, and social dimensions) on return on assets in Jordan Commercial Banks.

-Second Primary Question: is there any statistically significant impact on the significance level ($\alpha \leq 0.05$) for disclosure about sustainability practices (disclosure for economic, ecological, and social dimensions) on return on equity in Jordan Commercial Banks.

-Third Primary Question: is there any statistically significant impact on the significance level ($\alpha \leq 0.05$) for disclosure about sustainability practices (disclosure for economic, ecological, and social dimensions) on earnings per share in Jordan Commercial Banks.

4.1 Hypotheses Testing

Based on the questions of the study, the following hypotheses could be formulated.

H01: there is no statistically significant impact at the significance level for disclosure about sustainability practices (disclosure for economic, ecological, and social dimensions) on return on assets in Jordan Commercial Banks.

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H02: there is no statistically significant impact at the significance level for disclosure about sustainability practices (disclosure for economic, ecological, and social dimensions) on return on equity in Jordan Commercial Banks.

H03: there is no statistically significant impact at the significance level for disclosure about sustainability practices (disclosure for economic, ecological, and social dimensions) on earnings per share in Jordan Commercial Banks.

Researchers believe there is an impact of the optional disclosure about sustainability dimensions since the sound disclosure process help banks in dealing with economic, internal and external ecological, and social. Also, it demonstrates its financial center and future perspective for developing its financial performance.

2. Related Literature

Several studies have discussed the relationship between the (Sustainability Disclosure and Financial Performance) and found that there is a positive relationship, see (Haffar, & Searcy, 2017, Surroca, Tribó & Waddock, 2010, Martínez, Ferrero & Frias and Aceituno 2015.) While, other studies have found that there is a negative relationship between the study variables like the study by (Martínez, Ferrero & Frias, Aceituno, 2015, Rivera, Muñoz, & Moneva, 2017). However, the literature that supports the formulation of this study hypothesis are discussed below.

2.1. Sustainability Disclosure and Financial Performance (ROA)

Wasara, & Ganda, (2019) examines the relationship between corporate sustainability disclosure and return on investment. The sample of this study consisted of ten Johannesburg Stock Exchange mining companies, for a period of five years from 2010 to 2014. The data of this study collected by using a content analysis approach. A multi-regression analysis used to analyze the relationship between environmental disclosure and return on investment. The results show that there is a negative relationship between environmental disclosure and return on investment. On the other hand, the research reveals that there is also a positive association between social disclosure and return on investment. This study recommends the adoption of corporate social disclosure as it will encourage firms to be socially responsible, while also generating financial benefits.

Fijałkowska, Zyznarska-Dworczak, & Garsztka, (2018) explored the interrelation between socially responsible and corporate financial performance of banks for the period of 2012–2016 by used panel regression analyzes to investigated the relationship between corporate social responsibility (CSR) and CFP. The empirical results of this study showed that in case of banks in the central and Eastern Europe region being socially responsible is not reflected. The financial condition of the banks also does not affect the CSR engagement, also the study confirms, that banks of Central and Eastern Europe region have higher efficiency of CSR activities. The conclusions may lead to the improved decision-making processes concerning CSR activities and their communication in banks in Central and Eastern Europe region. Likewise, Xie (2015) investigated the relationship between CSR (ENV and COM) and CFP (Tobin's Q, book-to-market ratio and return on assets) in Canadian companies by using ordinary least squares method and Ganger Causality from 1998 to 2013. The results showed that there was a positive relationship between CSR and CFP.

Pan & Gu (2013) investigated the level of sustainability development in commercial banks listed in Chinese Stock Market. The sample consisted of 16 commercial banks. The sustainability development measured in accordance with four factors, namely profit, risk control, capacity development and liquidity factor, analyzed by using statistical methods. The findings revealed that Chinese commercial banks pay insufficient attention

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in achieving sustainability development more than medium or small banks. The study recommends both medium and small banks to pay more attention to sustainability development. In addition, it recommends including the factors of environmental and social hazard in credit risk management. Furthermore, increase the granting loans for energy-saving projects, making projects for reducing emissions, directing capitals for investment in environmental and industry protection projects, and achieving a good combination of commercial interest and environmental protection benefits.

Tijani, Adeoye & Alaka, (2017) explored the effects of disclosure of Corporate Social Responsibility on Banks Financial Performance in Nigeria. This study utilized secondary sources of data, from annual report from 1992 – 2014. The data of this paper used the health issue, transportation and education proxies as Corporate Social Responsibility variables where Return on Equity as financial performance variable. The Ordinary Least Square (OLS) Estimation technique and Granger-causality test were adopted to analyses this study. The findings of the study suggest that there is insignificance relationship between Corporate Social Responsibility and financial performance. The paper recommends that management should see Corporate Social Responsibility as a business opportunity that is beneficial in the long- run thereby, incorporating credible and well-structured social responsibility policies.

2.2. Sustainability Disclosure and banks Financial Performance (ROE)

Alshehhi, Nobanee & Khare, (2018) investigated the disclosure of corporate sustainability and it impact of corporate financial performance. This study used content analysis to examine the literature and establish the current state of research. A total of 132 papers from top-tier journals are shortlisted. Find that 78% of publications report a positive relationship between corporate sustainability and financial performance. Variations in research methodology and measurement of variables lead to the divergent views on the relationship. Furthermore, literature is slowly replacing total sustainability with narrower corporate social responsibility (CSR), which is dominated by the social dimension of sustainability, while encompassing little to nothing of environmental and economic dimensions. Studies from developing countries remain scarce. More research is needed to facilitate convergence in the understanding of the relationship between corporate sustainable practices and financial performance

Rodriguez-Fernandez (2016) argued the relationship between CSR and CFP (ROE and return on assets) in 121 Spanish companies in 2009 by using multivariate regression models. The results showed that there was a positive relationship between CSR and CFP. Flammer (2013) examined the effect of CSR (EMP and ENV) on CFP (return on assets) in 102 USA firms from 1997 to 2010 by using cross-sectional methods. The results showed that the CSR can positively affect CFP. Moreover, Al-Zaidiah and Al-Tnebat (2012) this study that investigates the impact of external auditor in taking credit decisions for commercial banks. The study deduced that auditor's report considers one of the essential information for credit officers in taking credit decisions. Accordingly, the study recommends the banks to urge credit officers to increase the attention on the reservations since they are essential and fundamental issues in the appropriateness and credibility the financial data and credit resolutions. In addition to their compliance with international auditing and accounting standards.

Abu-Zer (2012) explored the impact of external auditing in the sustainability development and social responsibility and risks management. The study deduced that companies work for using non-financial measurement in the process of decision-making. In addition, the function of internal auditing is not considered as an important tool for institutional governance, but rather as methods for either strengthening or weakening the company. In addition, external auditors play a significant role in guarantee the effectiveness of sustainability

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practices. Moreover, external auditors might take into consideration adding value to the company by training and educating them with frameworks, instructions, and procedures of the recognized sustainability The study recommends the companies to take into consideration any of the projects that might add more value, such as determining the hazards of sustainability, increasing awareness and education, learning and educating with frameworks, instructions, and externally recognized sustainability standards, such as Global Reporting Initiative's or International Organization for Standardization's ISO 9000. Similarly, Najem (2012) carried out a study that aims at demonstrating the extent of using analytical review procedures by Iraqi auditor and the extent of achieving their objectives. The study deduced that auditors use simple analytical review procedures upon auditing financial data with a relatively high degree comparing with the complicated analytical procedures that require knowing the statistical methods. The researcher recommends the necessity to apply the analytical procedures in planning phase and other auditing phases.

2.3. Sustainability Disclosure and banks Financial Performance (EPS)

Uwuigbe, et, al (2018) explored the relationship between sustainability reporting and firm performance in quoted Deposit Money Banks in Nigeria for the 2014-2016 period, by using content analysis Technique in order to collect the sustainability disclosure index. The panel regression technique used to analyze the data. The empirical findings showed that there is a bi-directional relationship between sustainability reporting and firm performance. This finding confirms the proposition of the legitimacy theory. The study observed that the market price per share of the samples firms had a significant negative influence on sustainability reporting. In addition, the study also out that sustainability reporting had a significant positive influence on revenue generation of the sampled firms.

Zyadat (2017) investigated the effect of the three dimensions of sustainability (economic dimension, environmental dimension, and social dimension) on the financial performance of Jordanian Islamic banks represented by (return on assets, return on equity, and earnings per share) during the period 2008-2014. The sample of this study contained two main Islamic banks in Jordan, namely: Jordan Islamic Bank and Arab Islamic Bank while the data collected from the annual reports, financial statements, sustainability reports, and social responsibility reports. The study results showed a significant effect of the dimensions of sustainability on the financial performance measured by ROA and EPS in the Jordanian Islamic banks. However, there was no statistically significant effect of the dimensions of sustainability on the financial performance as measured by ROE in those banks. This study has encouraged Islamic banks to adopt a rational and prudent investment and financial policies, make proper operational decisions to generate revenue, maximize profits, and achieve shareholder objectives, issue sustainability reports to discover if goals and activities are compatible to the goals and interests of society and the environment, and increase their interest in sustainability.

Norhasimah (2016) investigated the effect of environmental disclosure on financial performance in Malaysia using the Malaysian public limited companies. Using a sample of a sample of 100 companies, the study observed that there is a significant relationship between total environmental disclosure and profit margin. As well as, Murtaza, Akhtar, Ijaz and Sadiqa (2014) examined the relationship between CSR (COM and ENV) and CFP (ROE, EPS and return on assets) in 20 Pakistan companies from 1990 - 2013 by using multiple regression methods. The results revealed a positive relationship between CSR and CFP.

Kwaghfan (2015) in his study examined the impact of sustainability reporting on firm performance in Nigeria. He sampled 64 companies quoted on the Nigerian stock exchange for 2002-2012. He observed a positive relationship between sustainability reporting and ROA, ROE, EPS and net

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profit margin. Similarly, Samy, Odemilin and Bampton (2010) investigated the relationship between CSR (COM, EMP, ENV, and PRO) and CFP (EPS) in 20 selected UK companies from 2000 - 2006 by using multiple regression methods. The results found a positive relationship between CSR and CFP. While, Van der Laan, Van Ees, and Witteloostuijn (2008) explored the relationship between CSR (COM, EMP, ENV, customers, investors and PRO) and CFP (return on assets, debt to equity ratio and EPS) in USA companies from 1997-2002 by using a panel data method (fixed effect model). The results were mixed; while there was a positive association between firm size and CSR, there was a negative relationship between CSR and CFP.

3. Methods and Procedures

The study used the analytical descriptive approach that represents one of the analytical descriptive approach that depends on information related with specific subject at a specific period in order to obtain practical findings and explain them objectively. In line with the actual data to the topic under consideration, and then to achieve the applied results that to support the hypotheses mentioned in the study. In addition, the quantitative approach was used to examine and analyse the data for eliciting responses about the questions of the study.

3.1 The Sample and Population of the Study

The population of the study consists of the whole Jordan Commercial Banks listed in financial Amman market amounting to (13) commercial banks at the end of 2019 (https://www.ase.com.jo). Stata analysing and SPSS were used for addressing and analysing the data. The following measures and statistical tests were used:

1- Arithmetic average and standard deviations for accessing the study variables.
2- Linear Correlation Coefficient for Multicolinearity test.
3- Durbin- Watson test for testing the extent of autocorrelation.
4- Multiple linear regression for testing the impact of dependent variables on the dependent variable.

The sample consisted of the whole Jordan Commercial Banks due to the eligibility of the sample selection, namely: (1) The outstanding bank stocks shall be in the financial market during the study period. (2) The bank shall have the essential data for calculating the study variables. (3) The bank fiscal year shall end in 12-31 from each year.

3.2 Data Collection

To achieve the objectives of this study, two types of data resources were used. **Secondary Resources:** represented by Arabic and foreign sources, such as books research, article, brochures, and previous studies that are obtained from libraries and electronic websites.

Primary Resources: represented by financial statements, annual reports, and information concerning Jordan Commercial Banks for the period (2014-2018) published on Amman stock Market and electronic websites related with Jordan Commercial Banks study sample.

3.3 Measuring Study Variables

A). Independent Variable (the level of disclosure about sustainability practices):

It represents the level of disclosure about sustainability practices with it three dimensions, namely social, economic, and ecological) in bank financial reports (i) for the financial year (t). This variable was measured by the following procedures:

Determining the disclosures of sustainability practices mentioned in the financial reports of Jordan Commercial Banks study sample.

1- Preparing disclosures indicator for each dimension of sustainability practices mentioned in banks financial reports. To illustrate, each paragraph of disclosure takes the value (1) if the bank disclosed it. Otherwise, it takes (0) value.

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2- The disclosure paragraphs regarding sustainability practices were collected for each bank and for each year of study. The sum was divided on the overall number for disclosure paragraphs as indicated in the disclosures indicator for sustainability practices in order to obtain a certain level of sustainability practice for each bank and each year as follows:

$$LSuD_{it} = \frac{NoDSu_{it}}{TDS}$$

***LSuD*it:** the level of disclosure about sustainability practices for the bank (i) of the period (t).

***NoDuS*it:** the number of disclosed items of sustainability practices for the bank (i) of the period (t).

TDS: the total number for the disclosure items of sustainability practices.

The disclosure items (indicators) determined in this study depending on global reports initiative. According to G4 issuance the three dimensions includes (91) indicator distributed as follows: 9 indicators for economic dimension, 34 indicators for ecological dimension, and 48 indicators for social dimension.

B). Dependent Variable (Financial Performance)

Return on Assets: that was measured by dividing the net profit on the total of assets.

Return on Equity: that was measured by dividing net profit on shareholders' equity.

Earnings per Share: that was measured by dividing net profit on the number of shares.

C). Control Variables:

The following control variables were used:

Bank size: it was measured by using the total of bank assets.

Leverage: I was measured by the ratio of the assets for non-stakeholders of the bank. It has been calculated by the following equation: (**Leverage:** the total of company' commitments/ the total of company' assets).

4. The Findings of the Analysis

4.1 The Description Analysis

The disclosure about sustainability practices included the following variables: the disclosure of economic dimension, the disclosure of ecological dimension, the disclosure of social dimension. The variables were described as follows:

Table (1): The Description of Independent Variable

Scale %	Economic dimension	Ecological dimension	Social dimension	Total disclosure of sustainability practices
Mean	57.8	7.7	12.1	15.2
Std. Dev	8.8	14.8	7.2	9.6
Maximum	100.0	78.6	52.2	64.7
Minimum	55.6	3.6	8.7	11.8

Source: Output of the stata analyzing econometric software.

As shown in Table (1), the arithmetic average for the disclosure of economic dimension accounted for (57.8%) with standard deviation (8.8%). Jordan Kuwait Bank achieved the maximum value that amounted to (100.0%) in 2016, followed by Cairo Amman Bank in 2014 since the minimum value for the majority of Jordan Commercial Banks accounted for (55.6) during the period (2014-2018). The values indicate proportional convergence among Jordan Commercial Banks in the disclosure proportion of the economic dimension. In addition, the Table indicates the interest of Jordan Commercial Banks of the disclosure of the fields that reflect its ability to increase and magnify its economic value and to remain in market.

The above-mentioned Table shows that arithmetic average for ecological disclosure accounted for

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(7.7%), while the standard deviation accounted for (14.8%). It is obvious that Cairo Amman Bank achieved the maximum value that amounted to (78.6%). Surprisingly, the minimum value was for the majority of Jordan Commercial Banks that amounted to (3.6%) during the period (204-2018). The values indicate relative variance among Jordan Commercial Banks in the disclosure ratio for ecological dimension. The reason is attributed to the different concerns of Jordan Commercial Banks managements concerning the disclosure of ecological fields. Moreover, the activities and banking activities are secured. Neither negative impacts nor environmental damage.

In addition, the above-mentioned Table reveals that arithmetic average for the disclosure of ecological dimension accounted for (12.1%), while the standard deviation amounted to (7.2%). The maximum value was for Amman Cairo Bank accounted for (52.2%) in 2014. However, the minimum value amounted to (8.7%) for Jordan Commercial Bank during the year 2018 as well as the period between (2014-2018), Jordan Ahli bank during the period (2014-2018). The values indicate proportional convergence among Jordan Commercial Banks in disclosure ratio for social dimension because it contains various items related with woman, human's right, and financial corruption that are not disclosed by Jordan Commercial Banks, but rather disclose its activities towards society.

As indicated in the above-mentioned Table, the arithmetic average for the overall disclosure about sustainability practices amounted to (15.2%), while the standard deviation accounted for (9.6%). Surprisingly, Amman Cairo Bank achieved the maximum value (64.7%) in 2014. However, the minimum value amounted to (11.8%) for the following banks, namely Commercial Jordan Bank in 2018 and during the period (2014-2016), Arab Banking Corporation-Jordan during the period (2016-2018), Jordan Ahli Bank during the period (2014-2018). The values indicate a variance among Jordan Commercial Banks in the overall disclosure level of sustainability practices. Moreover, the disclosure level of sustainability practices is still below the required limit. Possibly, the nature of Joran Commercial Banks activities and processes that depend on providing financial services, supporting the community for achieving the required investments. However, some Jordan Commercial Bank concentrate and concern on the disclosure of their financial, ecological, and social practices.

The following indicators measure the financial performance for Jordan Commercial Banks: return on assets, return on equity, Earnings per Share during the period (2014-2018). The indicators illustrated as follows:

Table (2): The Description of Dependent Variable

Scale %	Return on Assets	Return on Equity	Earnings per Share
Mean	1.181	8.730	0.205
Std. Dev	0.449	2.807	0.132
Maximum	2.047	15.261	0.677
Minimum	0.054	1.830	0.025

Source: Output of the stata analyzing econometric software.

As shown in Table (2), the return on average assets in Jordan Commercial Bank during the period (2014-2018) accounted for (1.181%), while the standard deviation accounted for (0.449). Jordan Bank achieved the maximum value (2.047) in 2014, while Jordan Financial Bank achieved the minimum value (0.054) in 2015. This indicates the relative variance among Jordan Commercial Banks concerning the capacity to achieve the efficiency in exploiting the available resources to generate revenue and increase profitability.

Table (2) shows that the return on average equity in Jordan Commercial Bank during the period (2014-2018) accounted for (8.730), while the standard

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deviation accounted for (2.807). Jordan Bank achieved the maximum value (15.261) in 2014, while Jordan Financial Bank achieved the minimum value (1.830) in 2015. This indicates the relative variance among Jordan Commercial Banks concerning the capacity to achieve returns on capital and increase stakeholders' wealth.

It is obvious that average earnings per share in Jordan Commercial Banks during the period (2014-2018) accounted for (0.205), while the standard deviation accounted for (0.132). Arab Bank achieved the maximum value (0.677) in 2018, whereas Jordan Financial Bank achieved the minimum value (0.025) in 2015. This indicates the relative variance among Jordan Commercial Banks concerning the capacity to achieve earnings per share and increase the number of shares out of the achieved net profits.

Control variables included bank size that is measured by the total of assets and leverage that is measured by the ratio of indebtedness in Jordan Commercial Banks during the period (2014-2018) the variables were described as follows:

Table (3): The Description of Dependent Variable

Scale %	Bank size	leverage
Mean	4,229,324	86.31
Std. Dev	6,339,713	2.51
Maximum	25,859,777	92.50
Minimum	805,163	81.71

Source: Output of the stata analyzing econometric software.

As indicated in Table (3) the arithmetic average for the assets accounted for (4.299) billion dinar, while the standard deviation amounted to (6.340) billion dinar. Arab Bank achieved the maximum value (25:860) billion dinar in 2014. On the other hand, the Investment Bank achieved the minimum value (0.805) billion dinar in 2014. The values indicate huge variance among Jordan Commercial Banks in the gross assets value, which, in turn, indicates the variance of activities and bank products provided by Jordan Commercial Bank. In addition, the variance of their capacity on attracting deposits, granting facilities, performing activities, and investment operations.

Moreover, the above-mentioned Table reveals the arithmetic average for the ratio of indebtedness accounted for (86.31%) while the standard deviation amounted to (2.51%). Societe Generale De Banque-Jordan achieved the highest rank in 2018 that accounted for (92.50%). On the contrary, the Investment Bank achieved the lowest rank in 2015 that accounted for (81.71%). The values indicate the significant convergence among Jordan Commercial Banks in the ratio of indebtedness that is attributable to the similarities between the financial policies of Jordan Commercial Banks and the reliance on external sources for financing which most of them are represented in deposits.

4.2 Hypotheses Testing

The study depended on multiple regression analysis for answering study questions. It has been verified before hypotheses testing that data are devoid of multicollineraity phenomenon by calculating Variance Inflation Factor. Also, autocorrelation phenomenon was tested by Durbin-Watson test. The procedures followed before hypothesis testing are illustrated below:

4.2.1 Correlation Coefficients and Multicollinearity Tests

Multicollinearity test indicated semi-perfect linear correlation among two or more variables which magnifies the coefficient of determination value R^2 more than its actual value. Therefore, linear correlation coefficient and Variance Inflation Factor (VIF) for each variable were tested. The findings were as follows:

Table (4): Correlation Coefficients Result

Variables	Economic dimens	Ecological dimens	Social dimension	Bank size	leverage

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	ion	ion			
Economic dimension	1.000				
Ecological dimension	0.160	1.000			
Social dimension	0.407**	0.586**	1.000		
Bank size	0.550**	0.021	0.132	0.000	
leverage	0.483**	0.015	0.132	0.922**	1.000

***Note*. (1**) ** denotes statistically significance at 1% level.

As shown in Table (4) that correlation coefficient value between both bank size and leverage amounted to (0.922). This value indicates linear correlation phenomenon among independent variables that was more than (±0.80). In this regard, (Guajarati, 2004, p. 359) indicated that it cannot be asserted that sample is devoid of multicollinearity. For confirming his previous findings, Variance Inflation Factor (VIF) for each variable was calculated. The findings were as follow:

Table (5): The Findings of Multicollinearity Test among Independent Variables

Variables	VIF
Economic dimension	1.739
Ecological dimension	1.542
Social dimension	1.823
Bank size	7.468
leverage	6.748

Source: Output of the stata analyzing econometric software.

The above-mentioned Table shows that Variance Inflation Factor (VIF) was more than number (1) and less than number (10) which suggests there is no multicollinearity problem among study variables (Gujarati, 2004, p. 253).

4.2.2 Autocorrelation

The regression entails that data should be devoid of correlation problem that indicates a correlation among the borders of random error in regression model resulting in a bias in estimated parameters. As such, the lack of its predictive ability. Durbin-Watson Test is applied in order to confirm this. The value of this test ranges between (4,0). Autocorrelation phenomenon is rejected if (D-W) values equals to No. (2) (Guajarati, 2004). The following Table shows the findings of Durbin-Watson Test for study hypotheses as follows:

Table (6): Autocorrelation test result

Hypotheses	**D-W**	**Results**
H01	**1.924**	**No autocorrelation**
H02	**1.801**	**No autocorrelation**
H03	**1.778**	**No autocorrelation**

Source: Output of the stata analyzing econometric software.

It is obvious that D-W values for the above-mentioned study variables approaching the number of 2 which indicates that data are void of autocorrelation problem. This means that there is no correlation among random error borders in regression model.

4.2.3 Hypotheses Testing

The sample consists of Jordan Commercial Banks during the period (2007-2017). The data concerning the above-mentioned banks are collected from their annual reports. This chapter of the study presents hypotheses testing since all main and secondary variables are subjected to Multiple Regression Analysis.

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H01: there is no statistical significant differences at the significance level (a≤0.05) for the disclosure about sustainability practices (the disclosure of economic dimension, the disclosure of ecological dimension, the disclosure of social dimension) on return on assets in Jordan Commercial Banks.

Table (7): Result of the level of disclosure about sustainability practices and return on assets

Variables	B-value	Standard error	t-value	Sig. level
Economic dimension	0.034**	0.015	2.252	0.028
Ecological dimension	-0.011**	0.006	-1.761	0.083
Social dimension	0.078**	0.031	2.546	0.014
Bank size	0.078	0.061	1.292	0.201
leverage	-0.092*	0.018	-5.095	0.000
Constant	7.337*	2.074	3.537	0.001

*Notes***.** (1)*, ** and *** denote statistically significance at 1%, 5% and 10% levels, respectively; (2) F-statistics = 8.792; (3) R2= 45%; (4) ROA is Dependent Variable.

The findings of Table (7) indicate that coefficient of determination value is ((r^2= 0.457) which, in turn, means that dependent variables has explained (45.7%) variance in return on assets while other factors held constant. Also, F value accounted for (8.792) at confidence level (Sig=0.000) which confirms regression at significance level (a≤0.05).

In respect of coefficient Table, B value concerning the disclosure of economic dimension accounted for (0.034) while t value accounted for (2.252) at a significance level (Sig=0.028) which indicates that this dimension has a significant impact. B value concerning ecological dimension accounted for (-0.011) and t value is (-1.761) at a significance level (Sig=0.014) which indicates that this dimension has a significant impact. B value concerning the bank size amounted to (0.078) and t value amounted to (1.292) at a significance level (Sig=0.01) which indicates that this dimension has no significant impact. B value at leverage accounted for (-0.092) and t value amounted to (-5.095) at significance level (Sig=0.000) which indicates that this dimension has significant impact.

Based on the foregoing, we reject the first null hypothesis and accept the alternative that indicates: "there is statistically significant differences at significance level (α≤0.05) for the disclosure about sustainability practices (economic, ecological, and social dimension) for return on assets in Jordan commercial banks.

H02: there is no statistically significant differences at significance level (α≤0.05) for the disclosure about sustainability practices (the disclosure of economic dimension, the disclosure of ecological dimension, and the disclosure of social dimension) on return on equity in Jordan commercial banks.

Table (8): Result of the level of disclosure about sustainability practices and return on equity

Variables	B-value	Standard error	t-value	Sig. level
Economic dimension	0.095**	0.046	2.076	0.042
Ecological dimension	-0.233**	0.112	-2.087	0.041
Social dimension	0.548**	0.227	2.415	0.019
Bank size	0.694	0.449	1.547	0.127
leverage	-0.116	0.133	-0.868	0.389
Constant	4.300	15.364	0.280	0.781

*Notes***.** (1)*, ** and *** denote statistically significance at 1%, 5% and 10% levels, respectively; (2) F-statistics = 2.894; (3) R2= 43%; (4) Return on equity is Dependent Variable.

As shown in Table (8) the coefficient of determination (r^2= 0.43) suggests that independent variables have explained (43%) variance on return

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on assets while other factors held constant. Also, F value accounted for (2.894) at confidence level (Sig=0.021) which confirms regression at significance level (a≤0.05).

Coefficient Table has shown B value for economic dimension disclosure accounted for (0.095) and t value amounted to (2.076) at a significance level (Sig=0.042) this dimension showed a significant effect. In addition, B value for social dimension disclosure accounted for (0.548) and t value amounted to (2.415) at a significance level (Sig= 0.019) which implies a significant effect. However, B value for bank size accounted for (90.694) and t value amounted to (2.076) at a significance level (Sig=0.042) which suggests no significant effect. On the other hand, B value for leverage accounted for (-0.116) and t value amounted to (-0.868) at significance level (Sig=0.389) which implies no significant effect.

Based on the foregoing, we reject the second null hypothesis and accept the alternative that indicates: "there is statistically significant differences at significance level (α≤0.05) for the disclosure about sustainability practices (economic, ecological, and social dimension) for return on equity in Jordan commercial banks.

H03: there is no statistically significant differences at significance level (**α≤0.05**) for the disclosure about sustainability practices (the disclosure of economic, ecological, and social dimension) for earnings per share in Jordan commercial banks.

Table (9): Result of the level disclosure about sustainability practices and earnings per share

Variables	**B-value**	**Standard error**	**t-value**	**Sig. level**
Economic dimension	0.003	0.001	2.365	0.021
Ecological dimension	-0.006	0.004	-1.622	0.110
Social dimension	0.015	0.007	2.115	0.039
Bank size	0.128	0.014	8.927	0.000
leverage	-0.012	0.004	-2.806	0.007
Constant	-1.483	0.492	-3.011	0.004

*Notes***.** (1)*, ** and *** denote statistically significance at 1%, 5% and 10% levels, respectively; (2) F-statistics = 19.935; (3) R2= 62%; (4) Earnings per share is Dependent Variable.

As shown in Table (9) the coefficient of determination (r^2= 0.628) implies that independent variables have explained (62.8%) variance for earnings per share while other factors held constant. Also, F value accounted for (19.935) at confidence level (Sig=0.000) which confirms regression at significance level (a≤0.05).

However, coefficient Table has shown B value for economic dimension disclosure accounted for (0.003) and t value amounted to (2.365) at a significance level (Sig=0.021) which implies a significant effect. In addition, B value for ecological dimension disclosure accounted for (0.006) and t value amounted to (1.622) at a significance level (Sig=0.039) which implies a significant effect. However, B value for bank size accounted for (0.128) and t value amounted to (8.927) at a significance level (Sig=0.000) which suggests significant dimension effect. On the other hand, B value for leverage accounted for (-0.112) and t value amounted to (-2.806) at significance level (Sig=0.007) which indicates the significant effect.

Based on the foregoing, we reject the third null hypothesis and accept the alternative that indicates: "there is statistically significant differences at significance level (α≤0.05) for the disclosure about sustainability practices (economic, ecological, and social dimension) for earnings per share in Jordan commercial banks.

5-Conclusion

This study aims at investigating all issues related with disclosure degree of sustainability practices,

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particularly factors influencing the disclosure level on dimensions (social, ecological, and economic) on financial performance for Jordan Commercial Banks. The findings indicate relative convergence among Jordan Commercial Banks in the level of disclosure in the disclosure level of economic dimension. Moreover, the interest of Jordan Commercial Banks in the disclosure of the fields that reflect their abilities in increasing or magnifying their economic value and remaining in market. In addition, there is a relative variance among Jordan Commercial Banks in disclosure level of economic dimension. The reason behind that is attributed to the different interests of Jordan Commercial Banks administration in disclosure level of ecological dimension. In addition, activities and banking operations are secured and have neither negative impacts nor damage to the environment.

There is relative variance among Jordan Commercial Banks in the level of disclosure of social dimension because it encompasses various items concerning woman, human rights, and financial corruption that are not disclosed by Jordan Commercial Banks, but rather disclose its activities towards society.

The values indicate a variance among Jordan Commercial Banks in the overall disclosure level of sustainability practices. Moreover, the disclosure level of sustainability practices is still below the required limit. Possibly, the nature of Joran Commercial Banks activities and processes that depend on providing financial services, supporting the community for achieving the required investments. However, some Jordan Commercial Bank concentrate and concern on the disclosure of their financial, ecological, and social practices.

There is relative variance among Jordan Commercial Banks concerning the capacity to achieve the efficiency in exploiting the available resources to generate revenue and increase profitability. Besides, the relative variance among Jordan Commercial Banks in terms of the capacity to achieve returns on capital and increase stakeholders' wealth. Similarly, there is a relative variance among Jordan Commercial Banks in terms of achieving returns to stakeholders and increase the number of shares out of the achieved net profits. The values indicate the significant convergence among Jordan Commercial Banks in the ratio of indebtedness that is attributable to the similarities between the financial policies of Jordan Commercial Banks and the reliance on external sources for financing which most of them are represented in deposits. The significant variance among Jordan Commercial Banks in the gross assets value. This indicates the variation of activities and bank products provided by Jordan Commercial Bank. In addition, the variance of their capacity on attracting deposits, granting facilities, performing activities, and investment operations.

6- Recommendations

1- Raise awareness among Jordanian commercial banks seeking for Global leadership concerning the importance of disclosure about sustainability practices and the positive impact achieved by disclosure about mental picture for banks and formulating its future policies.
2- Motivating Jordan Commercial Banks for establishing specialized departments of sustainability that its function lies in following the procedures for applying sustainability practices, preparing its accounts, and issuing its disclosures.
3- The necessity for increasing the level of disclosure about sustainability practices for increasing its level of disclosure due to its impact on bank market value.
4- Examining the factors and variables affecting both internal and external bank environment and adopting the appropriate procedures for reducing their negative reflections on bank performance due to their impact on bank market value.
5- The diversification, improvement, and development in lucrative activities and

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processes performed by commercial banks for achieving best quality.

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