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Abstract


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The objectives of this study were to empirically examine the disclosure practices of social responsibility information made in the annual reports of a sample of 65 Jordanian industrial companies listed on Amman Stock Exchange (ASE). In addition, this study will examine the impact of certain company characteristics (size, profitability, government ownership, and risk) on the level of disclosure of social responsibility information. To achieve the study objectives, a disclosure index including 37 items of social responsibility information was used. The index was classified into four categories. These categories are environment, human resources, community involvement, and product/service to customers. The results of the application of the disclosure index to the company's annual reports revealed that on average, a company disclosed 13% of the items included in the index. These results indicated that there is a great deal of variation between companies in the disclosure of social responsibility information. Also, it was found that human resources is the most type of information disclosed by companies, and that environmental disclosure is the least type of information disclosed by companies. The study hypotheses were examined using the multiple regression analysis. The results of the regression analysis indicated that there is a positive and significant relationship between the level of disclosure of social responsibility
information disclosed in the annual reports and the company's size, profitability, government ownership, and risk. Finally it was found that size was the most dominant variable in explaining the variation in the disclosure for each type of information. In addition, the study recommended that there is a great need to increase the legal requirements concerning social responsibility disclosure in general and environmental information disclosure in particular.