Deanship of Graduate Studies

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Upgrading sustainability for SMEs through good governance: Evidence from Palestine.

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Upgrading sustainability for SMEs through good governance: Evidence from Palestine.

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Dedication

To my beloved parents

Whose affection, love, encouragement and prays of day and night make me able to get such success.

To my respected teacher Dr. Ibrahim Awad

Your sincere guidance and prudent leadership guided my way clearly to achieve this thesis. You are a great source of inspiration and motivation for me.

To my sweet sister and brothers

Who light me the way and always support me during my study for the master's degree.

Qais Jamal Hussein

Declaration

I certify that this thesis submitted for the degree of Master, is the result of my own research, except where otherwise acknowledged, and that this study, (or any part of the same) has not been submitted for a higher degree to any other university or institution.

Signed:

Qais Jamal Mahmoud Hussein

Date: 28/7/2024

Acknowledgment

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I especially thank Prof. Dr. Ibrahim Awad for his effort in teaching and guiding me to the right way to research, benefit, and learn. Thank you so much for everything.

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Qais Jamal Hussein

Abstract

This thesis investigates the relationship between governance practices and sustainability outcomes in Small and Medium-sized Enterprises (SMEs), with a focus on the Palestinian context. Drawing on a comprehensive literature review and empirical analysis, the study examines the impact of various governance dimensions, including transparency, justice, independence, and responsibility, on environmental, social, and economic sustainability. Utilizing a mixed-methods approach, quantitative data analysis is conducted using structural equation modeling (SEM) in AMOS and SPSS, complemented by qualitative insights from semi-structured interviews with SME representatives. A stratified random sample of 210 SMEs in Bethlehem was selected for the study and a 135 sample was retrieved, in addition to using the questionnaire tool in collecting data. Explanatory factor analysis, Confirmatory factor analysis, structural equation modeling, and regression analysis used to test the proposed hypotheses and determine the influence of good governance practices on achieving sustainable upgrading for SMEs in the Palestinian context.

The results of the study underscore the significant role of governance practices in shaping sustainability outcomes within SMEs. Findings reveal a positive relationship between transparency in governance and environmental sustainability practices, highlighting the importance of open and accountable decision-making processes. Similarly, fair and impartial decision-making within organizations is found to be positively associated with improved social sustainability, emphasizing the significance of equity and inclusivity in governance frameworks. However, the analysis also identifies certain governance dimensions, such as social responsibility, which were not adequately captured in the empirical analysis using AMOS and SPSS. This limitation underscores the need for future research to explore the impact of social responsibility in governance on sustainability outcomes in SMEs. Furthermore, the study highlights the importance of considering contextual factors, such as industry-specific challenges and regional dynamics, in understanding the relationship between governance and sustainability.

Key words: Governance, Sustainability, Small & Medium Sized Enterprises.

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Abbreviations

SMEs: Small and Medium Sized Enterprises

SOS: Social organizational sustainability

PCBS: Palestinian central bureau of statistics

EFM: Explanatory Factor Analysis

CFM: Confirmatory Factor Analyses

SEM: Structural Equation Modeling

KMO: Kaiser-Meyer-Olkin Measure test

1. Chapter One

Part One – Introduction

1.1 Research Background

Economy experienced a growth of 3.6% in 2022, a decrease from the 7.0% growth observed in 2021. The year presented various challenges, including reduced external aid to Palestine, cuts in Palestinian tax revenues, and the repercussions of the Ukrainian-Russian crisis. Despite these obstacles, overall consumption increased by 7.0%, and there was a notable 15.3% surge in total investments, resulting in a 7.6% growth in employment. This contributed to a reduction in the unemployment rate to 25.7% in 2022 from 27.6% in 2021. Small and medium enterprises (SMEs) garnered significant attention due to their role in production, employment, innovation, and economic development. Recognizing their importance, concerted efforts were made to support these enterprises, given their substantial contribution to Palestine's economy. However, many SMEs encountered challenges in accessing financial services, particularly financing sources, thereby impeding their growth potential and their ability to positively impact the economy. (The Performance of the Palestinian Economy in 2022).

Al-Qudat, W., Al-Sheikh, F. N. (2019) assert that corporate sustainability: A business approach leading to long-term shareholder value by embracing Opportunities and managing risks derived from economic, environmental, and social developments. Sustainability plays an pivotal role in SMEs by fostering long-term viability and resilience. These businesses are crucial contributors to the economy and local communities. Embracing sustainable practices enables SMEs to minimize their environmental footprint, optimize resource efficiency, and reduce operational costs. By integrating eco-friendly technologies, adopting renewable energy sources, implementing waste reduction strategies, and prioritizing ethical supply chains, SMEs can enhance their competitiveness while contributing positively to society. Moreover, sustainability initiatives in SMEs often resonate deeply with consumers, attracting environmentally conscious customers and fostering brand loyalty. This commitment not only aligns with global environmental goals but also safeguards the future success and growth of these enterprises. Effective governance significantly contributes to enhancing the sustainability for SMEs by providing a structured framework that integrates sustainability into their core operations. Governance ensures that SMEs establish clear policies, strategies, and objectives focused on environmental, social, and economic sustainability. By implementing robust governance practices, SMEs can make informed decisions regarding resource allocation, risk management, and long-term planning, all while aligning their business strategies with sustainable practices. Moreover, governance frameworks foster transparency, accountability, and stakeholder engagement, encouraging SMEs to actively involve employees, customers, suppliers, and local communities in sustainability initiatives. This holistic approach not only improves the environmental and social impact of SMEs but also enhances their competitiveness, resilience, and long-term viability in a rapidly evolving business landscape that increasingly values sustainability. (United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP 2009).

The sustainability of SMEs is crucial for economic development, particularly in challenging contexts like Palestine. This study explores how good governance can drive sustainable development in Palestinian SMEs.

This study examines whether small and medium-sized enterprises (SMEs) are able to achieve sustainable development by adopting good governance rules within their local context. In this study, we use a case of Palestinian SMEs in the West Bank to test the hypothesis that SMEs with good governance rules are more likely than those with bad governance rules to achieve sustainable development.

Corporate governance plays an important role in increasing the competitiveness of companies by improving corporate governance, enhancing transparency, ensuring correct strategic decisions, raising the level of productivity, in addition to dealing fairly with shareholders, employees, creditors and other parties with interests, which is positively reflected in reducing capital costs. and improving the financial performance of companies (Qabaja, Hamed and Shikaki, 2008, 10).

While the sustainability strategy at work is considered one of the most important factors that help the success of a company or institution. Therefore, we must think about all aspects of achieving sustainability at work, which includes four main dimensions: environmental sustainability, social sustainability, economic sustainability, and strategic sustainability.

1.2 Problem statement

Good governance contributes to enhancing the sustainability of small and medium-sized enterprises under a changing environment at the political and economic levels. As a result, the essence of SME'S sustainability focuses on the most important element in organizations which is governance and the way it is applied. Therefore, corporate governance in an effective manner supports and enhances the capabilities of these SME'S and creates a sustainable competitive advantage, Governance provides the basic framework and guidelines that define a company's behaviors and direct it toward current environmental, social, and economic challenges. Through good governance practices, organizations can integrate the concept of sustainability into their strategies and daily activities, this practice is particularly relevant towards using resources more effectively, developing supply chains to achieve exploitation and environmental responsibility, and contributing to local communities. Because of this role, the effective integration and social sustainability is an essential factor for the success of companies in achieving optimal growth."

With the increase in competition in the labor market, especially competition between small and medium enterprises in the Palestinian environment, and the spread of some examples indicating the absence of clear and followed governance rules in the work policies of these enterprises, and exploiting this to achieve the highest gains and profits, the researcher arrived to the following study problem which is: { How does the implementation of good governance practices contribute to the sustainable upgrading of SMEs }.

1.3 Study significance and motivation

Here is a review of the importance and motivations for the study.

Study Significance

The importance of the study lies in two aspects theoretical and practical as follows:

- **Theoretical significance**

The importance of this study stems from the importance of the variables studied, as governance is an important topic that must be highlighted, because of its role in helping companies achieve competitive advantage and sustainability for business companies today. The concept of sustainability in business means achieving a balance between various aspects of the business, including employees, profits, viability and the environment in the long term. In other words, it is a business strategy that aims to provide long-term value by taking into account all aspects of the organization or company's work, whether environmental, social, economic or strategic.

By searching in the previous studies related to the subject of the study, it was noted that there are few researches and studies that link the variables of the study, studies in this field are still limited, especially in the Arab environment.

The study will serve as a reference and a previous study in the field of governance and Business sustainability.

- **Practical significance**

The practical importance of this study is represented in the possibility of the administrative leaderships in the small and medium – sized enterprises benefiting from the results that will be reached, with regard to the concept of Governance and the concept of Business sustainability in those companies. Moreover, this study is expected to raise awareness of the need to focus on Governance in all its dimension and will present proposals and recommendations that will urge companies to adopt corporate governance, which would increase business sustainability among companies.

Finally, this research helps in comprehending how good governance practices directly influence the adoption and success of sustainability initiatives within SMEs. This research sheds light on the specific mechanisms through which governance structures can enhance or hinder sustainability efforts, can identify and highlight the best governance practices that lead to successful sustainability integration in SMEs, it allows for the documentation of case studies, successful strategies, and practical approaches that other SMEs can emulate, insights and knowledge gained can be disseminated across industries, fostering a culture of shared learning. This facilitates the spread of successful governance strategies that promote sustainability, benefiting SMEs seeking to enhance their own practices.

Study justifications

There are several motivations that drive the sustainability for Small and Medium-sized Enterprises (SMEs) through good governance will be consider.

- **Competitive Advantage:** Embracing sustainability through good governance can provide SMEs with a competitive edge. Consumers increasingly prefer environmentally and socially responsible businesses, and by integrating sustainable practices, SMEs can attract more customers, enhance brand reputation, and differentiate themselves in the market.
- **Cost Reduction and Efficiency:** Sustainability initiatives often lead to reduced resource consumption and operational costs. Implementing eco-efficient technologies or processes can lower energy expenses, waste generation, and material consumption, thereby improving overall efficiency and cutting costs for SMEs.
- **Long-term Viability and Resilience:** Integrating sustainability into business operations through good governance enhances the long-term viability and resilience of SMEs. By considering environmental and social factors alongside economic goals, SMEs can adapt to changing market conditions, regulatory changes, and societal expectations more effectively.
- **Stakeholder Expectations:** Various stakeholders, including customers, employees, investors, and communities, expect businesses to act responsibly and contribute positively to society and the environment. Good governance practices that promote sustainability align SMEs with these stakeholder expectations, fostering trust and loyalty among stakeholders.

The study is based on a set of research justifications that strengthened the study's orientation towards the variables of this study

1. The strategic direction of small and medium enterprises towards empowering their employees in order to improve the quality of their outputs.

2. The researcher’s awareness of the importance of the topic itself as one of the comprehensive approaches to administrative thought.

1.4 Specific Objectives

Specific objectives in a research context are clear, detailed, and measurable goals that provide a focused direction for the study. These objectives break down the broader research goal into specific, manageable components. This study mainly aims to identify How does the implementation of good governance practices contribute to the sustainable upgrading of Small and Medium-sized Enterprises (SMEs), in addition to the following sub-objectives:

1- what is the impact of Transparency & Disclosure in Business sustainability

2- what is the impact of justice & fairness in Business sustainability

3- what is the impact of responsibility in Business sustainability

4- what is the impact of independence in Business sustainability

1.5 Study Model

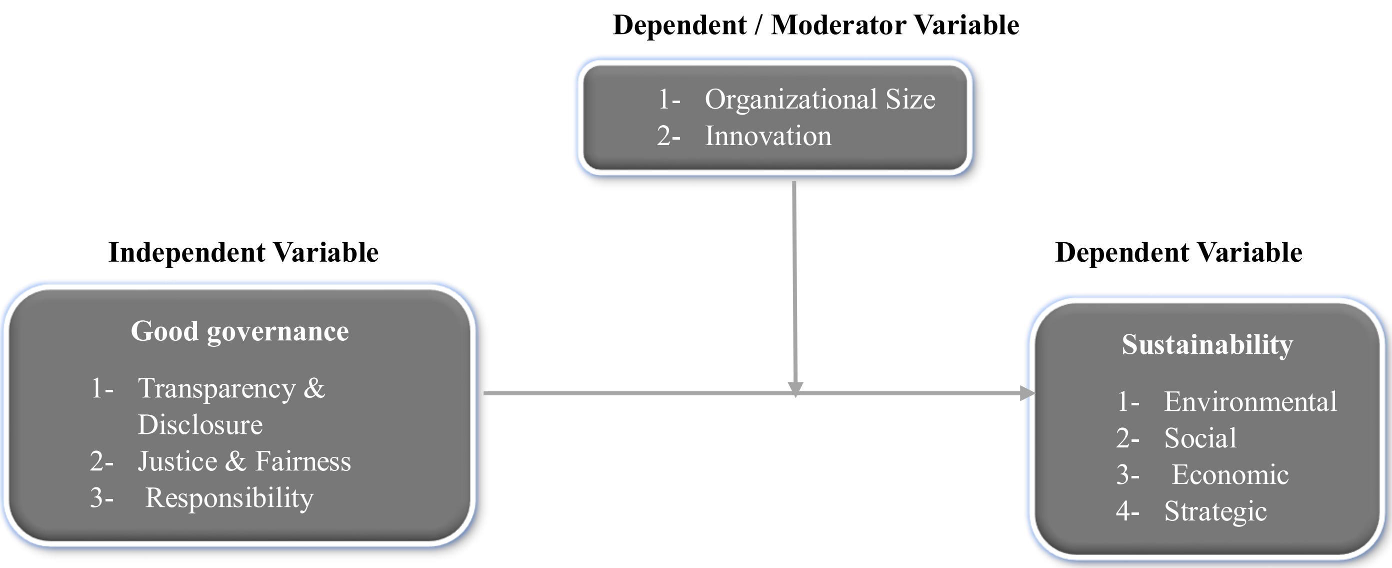

Figure 1.1: The proposed Study Model

Note: the definitions of the study variables included in the study model are available in the theory and literature review chapter in section 2.4, 2.5 & 2.6

1.6 Resources

Independent variable Al-Yami and Al-Sawat (2022). The impact of applying governance standards on the performance of workers in the government health sector in the Najran region

Dependent variable Houcine. M. (2017). Social Responsibility and Sustainable Development in the Enterprise, what relationship: Case Study Experiment of Algerian Economic Enterprise.

1.7 The study boundaries

-Variables: This study was limited to its variables of governance and sustainability

-Temporal boundaries: The expected time period for completing the study, which is the academic year 2023/2024.

-Spatial boundaries: The study was conducted in small and medium enterprise locations only in the West Bank - Palestine

1.1.1 Chapter one: part two - Definition of variables

In this section, we'll provide an initial explanation of the dimensions of the independent variable (governance) and the dependent variable (sustainability). Then, in the second chapter, we'll define these dimensions in more detail to understand how each dimension of governance affects sustainability.

1.1.1.2 Independent variable and its dimensions:

Governance: The process of making and enforcing decisions within an organization or society, ensuring its well-being. [World Bank 2023]

Transparency and Disclosure: is represented by Openness and clarity about decisions, Finances, and activities allowing for public scrutiny and giving up ambiguity. [Transparency International 2009]

Justice and Fairness: Upholding impartial treatment and a just legal system that ensures rights and opportunities for all. [American Bar Association 2013]

Responsibility: Taking ownership of decisions and actions, being accountable for their impact. [The King Center 2023]

Independence: It is the independence of the BODs from the executive management in SMEs, and the ability to make decisions free from undue influence or bias. [International Monetary Fund 2024]

1.1.1.3 dependent variable and its dimensions:

Sustainability: The ability to meet the needs of the present without compromising the ability of future generations to meet their own needs. [World Commission on Environment and Development]

Environmental Sustainability: Preserving the planet's natural resources and ecosystems for future generations. [U.S. Environmental Protection Agency website]

Social Sustainability: Ensuring social justice, equity, and well-being for all within the limits of the planet's resources. [The World Bank website]

Economic Sustainability: Creating a long-term viable economy that meets the needs of society without depleting natural resources. [The World Bank website]

Strategic Sustainability: Integrating sustainability principles into an organization's long-term goals and decision-making processes This ensures that sustainability considerations are a core part of the organization's strategy. [WBCSD website]

2. Chapter two

theory and literature review

This chapter includes two main parts: the theoretical framework of the study, which constitutes the variables and dimensions of the study. The second part is represented in previous studies that illustrate the research efforts that were conducted by researchers on the variables and dimensions of the study in the Arab and foreign environments.

Theoretical framework of the study

The theoretical framework of the study addresses the variables of the study; Governance and its dimensions (transparency and disclosure, justice and fairness, responsibility, independence, accountability)

And business sustainability and its dimensions (Strategic sustainability, product sustainability, financial sustainability, and worker or employee sustainability)

2.1 Introduction

Smart management in organizations takes organizational sustainability as its basic principle, meaning that organizational sustainability consists of three main components that together form the triple bottom line. While the concept of the triple bottom line was developed by John Elkington, at the same time, he studied and achieved a balance between economic, environmental, and social goals., where an organization can not only measure and evaluate its success through the financial aspect but also by using natural resources in a correct manner that preserves them and ensures for future generations' well-being and equitable society; better environmental conditions; and improved quality of life(Murray, 2016); A population (or an organization) can participate in the collective well-being, in a way that everyone has access to information, food, healthcare, education, housing, employment and income through economic and social integration, where a company is sustainable when it generates profits for shareholders, protects the environment, and improves the lives of the people with whom It interacts. (Oliveira, 2013) Social Organizational Sustainability (SOS), includes the impact that organizations have on social systems through operational activities as they think seriously about the expectations of different social groups related to the management of the organization, which includes issues related to human development (education, training, and occupational health workplace safety and competency development), equality (fair wages and benefits, equal opportunity and absence of discrimination in the workplace) and ethical considerations (human rights and cultural values). (Mahmoud, Al-Shaima Muhammad Radhi (2022).

2.2 The importance and role of small and medium enterprises

SMEs, comprising a significant portion of businesses worldwide, play a crucial role in driving economic growth, fostering innovation, and generating employment opportunities. These enterprises are diverse in nature, encompassing a wide range of industries and sectors, also studies consistently demonstrate the economic importance of SMEs. They contribute significantly to GDP growth, stimulate entrepreneurship, and provide job opportunities, particularly in emerging and developing economies. SMEs are acknowledged as critical components of resilient and dynamic economies due to their flexibility and adaptability to changing market conditions, According to the founding cooperative organization of these enterprises It represents about 95% of institutions, 70% of which are family companies, and most of them are small institutions. In the United States, 70% is limited to organizations that employ fewer than 19 workers, and in France it represents 81%, which means that these enterprises plays a major role in the economy, which is why various countries have increased their interest in developing this sector. {(Shahnaz, Ghadban, & Nisreen, Haji. (2021}

2.3 General characteristics of small and medium enterprises:

Small and medium enterprises are characterized by a set of general characteristics that have a great interest to investors:

-Ease of establishment; establishing this type of institution does not require large number of money to establish and finance it is local and depends on local production requirements that often do not require importing, also its organizational structure is simple and relies on limited levels of supervision.

-Decision centralization; This is done through the owner of the institution himself or with the help of some employees who carry out various activities in the institution.

-Flexibility in adapting to new changes; Small and medium enterprises are flexible in their work, its processes and products can be modified according to the available circumstances surrounding the organization.

-Use smaller, less expensive means of production; SMEs do not use Complex technology, because development and innovation requires funding and expertise to carry out R&D activities, and these funds may not be available therefore, a decrease in the volume of production for these institutions leads to a decrease in costs (storage, production, ...)

-Weak market share; the products of small and medium enterprises are characterized by the narrowness of the local market in which they are offered and sometimes it may be a regional market.

Setting a unified definition for small and medium enterprises is considered one of the most complex problems facing the researcher in this field, as there are more than fifty definitions for them, Peculiarities of countries' economies and the different nature of the economic sectors, in addition to the legal differences in each country, led to the emergence of this number of Different definitions. {(2021) .شهيناز، غضبان, & نسرين، حاجي}

We will review the most important approved definitions for some countries in addition to focus on the Palestinian definition

1- The World Bank's definition of small and medium-sized enterprises:

The World Bank set conditions for small and medium-sized enterprises to be classified as

mini, small or medium, as these conditions relate to the turnover, total assets and number of workers. If the number of the workers are less than ten workers and the total assets are less than 100,000$ US dollars, and the same amount for the turnover, The institution is considered MINI. As for the SMALL enterprise, it is the one that includes less than fifty workers and its assets are less than 3 million US dollars and the same amount in relation to the turnover, The enterprise is considered MEDIUM, if the number of its workers is less than 300 workers and its assets are less than 15 million US dollars and the same amount in relation to the turnover.

Based on this definition the following table shows, the mentioned conditions

Table (1.1) Classification of small and medium enterprises according to the World Bank.

Enterprise/ standard	NUMBER OF WORKERS	TOTAL ASSETS	TURNOVER
MINI	Less than 10 workers	100,000$	100,000
SMALL	Less than 50 workers	3 million dollar	3 million
MEDIUM	Less than 300 workers	15 Million dollar	15 illion

2- European Union definition:

The European Union, through the European Commission Recommendation of 2003, proposes a special definition it distinguishes between mini, small and medium enterprises based on the following criteria: number of workers, enterprise revenues And its total annual budget, These institutions are classified as follows:

- Mini enterprise: one that employs less than 10 workers and whose turnover does not exceed 2 million euros or whose total annual budget does not exceed 2 million euros.

- Small enterprise: an enterprise that employs less than 50 workers, and whose sales or total budget do not exceed 10 million euros annually

- Medium enterprise: It is one that employs less than 250 workers and whose turnover is less than 50 million euros, or the total annual budget does not exceed 43 million euros annually.

3- Definition of the United States of America:

The small enterprise was defined according to the Small Enterprise Law of 1953 as it has independent ownership and management and is not controlled by a large institution in its field of activity, A small or medium-sized institution is considered that employs less than 500 workers.

4- Definition of Southeast Asian countries:

The Southeast Asian Association conducted a study on enterprises, including possible enterprises small, medium, and large enterprises and family enterprise, depending on the criterion of the number of workers, the study includes the following:

- It is considered a family enterprise if the number of its workers is less than 10
- It is a small enterprise if the number of workers is from 10 to 49 workers
- As for the medium enterprise, the number of employees ranges between 50 and 99 workers.
- Every enterprise with more than 100 workers is a large enterprise. {(Shahnaz, Ghadban, & Nisreen, Haji. (2021)}

5- Palestinian definition for SMEs:

Based on the Bethlehem Chamber of Commerce, they informed me that companies are divided into several categories. The small ones are registered under the name of a merchant registration certificate and are classified as small based on the number of partners. If the owner of the company is the only individual without partners, it is considered small and called a sole proprietorship. The official there only provided me with the following table and didn't offer any further information.

Table (1.2) Palestinian definition for SMEs

The category	Capital in Dinars
Third	5,000 - 9,999
Second	10,000 - 24,999
First	25,000 - 69,999
Excellent	70,000 - 999,999
Private	10,000,000 and more

Where private and excellent companies are such as telecommunications companies and banks.

Based on the definition provided by the {Palestinian Central Bureau of Statistics and in accordance with the decision of the Cabinet in 28/6/2021}, small and medium-sized enterprises (SMEs) have been classified based on the number of employees and annual turnover as follows:

Table (1.3) SMEs classification in Palestine

Annual Turnover	**Number of employees**	**classification**	**Number of enterprises**	**Percentage**
Provided that turnover does not exceed USD (500,000)	(19-10)	Small	3,839	2.6
Provided that turnover does not exceed USD (2,000,000)	(49-20)	Medium	1,631	1.1

According to the table, our study focuses on small enterprises with a workforce ranging from 10 to 19 employees and medium enterprises with a workforce ranging from 20 to 49 employees. The proportion of small and medium enterprises (5470) collectively constitutes 3.7% in Palestine, with the majority percentage which is 88.6%, attributed to micro-enterprises in Palestine according to the Palestinian Central Bureau of Statistics

This table illustrates the number of small and medium enterprises in Palestine in general. Since I will be sampling from Bethlehem Governorate, the number of small and medium enterprises will be as follows:

Table (1.4) Number of SMEs in Bethlehem

classification	Number of enterprises	Percentage
Small	272	60
Medium	186	40

Due to road conditions, the researcher will be sampling from the Bethlehem area, where the total number of small and medium enterprises in Bethlehem amounts to 458 organizations which they account for a percentage of 5.4%, according to the Palestinian Central Bureau of Statistics. This includes consideration of all economic activities.

The sample size will consist of 210 enterprises out of a total of 458. Among these, 60% (272 enterprises) are small enterprises, and 40% (186 enterprises) are medium enterprises. Specifically, the sample will include 125 small enterprises and 85 medium enterprises in Bethlehem area.

2.4 Sustainability

Is a business strategy combining economic, social, and environmental issues. Drago, C., &Fortuna, F. (2023)

which can be defined in a simple way as the ability of companies/institutions/departments to positively influence environmental and social development, and thus have a long-term impact on it, and the impact of this main element (sustainability) affects companies in a long-term impact through reducing risks, attracting potential investors and increasing the company's equity. There can also be no sustainability without a strong governance structure that plays its primary role in sustainability. This structure’s approach varies according to size (large/small) and type (private/government), as well as according to activity (profit/voluntary), In the world's economies, sustainability is prominent in practice and business work, with a positive impact on society and the environment. In the business environment, it is divided into two main parts: the impact on society and the impact on the environment, where the goal and what is achieved is based on influencing one of the two sections in a positive way, even if it is absent the other side or failure to bear it to achieve the goal of sustainability, which could bring other consequences, including environmental degradation or societal injustice. Let’s focus more clearly and comprehensively and then come with examples of “business” sustainability, knowing that every institution, company, or governmental agency, whether or not Especially a single case related to strategy and short/long-term goals, Adding the sustainability report to the company’s financial reports and discussing it as a main item in the General Assembly is a source of renewed confidence by the stakeholders in the founding company. It also has a direct impact on the reputation of the founding company. Accordingly, there were some studies that have proven that paying attention to these matters has an impact. It is clear in the increase in foreign investment in the country because of its good reputation and evidence of the fertile business environment. (Buresli /2021);

Sustainability as a concept has been referred to in the literature for many years, yet the term still lacks a working consensus. The most common definition of sustainability is the one provided by the World Commission on Environment and Development that it as “development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs”. Within this broad definition, sustainability provides a framework for managing the development of communities, nations, regions, and essentially meeting global needs to ensure efficient resource use, creation of infrastructures, security for enhancing the quality of life, and creation of new businesses to build and strengthen economies. Sustainability is often seen as a community or institutional response to threats against human and planetary survival. Indeed, the framework presented in this paper, ideally, will help firms link the challenges of global sustainability to the creation of shareholder value. {Garza, F. A. (2013)}

What are sustainability reports,

These are financial reports that focus on accounting disclosure of tangible assets that have limited value to investors when making decisions and when renewing the market value of companies, the Institute of Chartered Accountants in England also confirmed that this deficiency in financial reports and their inability to provide the basic needs of investors was one of the reasons for the financial collapses in 2008, Because financial reports did not provide investors with sufficient information about financial instruments and the risks associated with them and about risk management policies and environmental issues that expose companies to risks that must be addressed by managers so that value can be preserved, financial reports also largely reflect the financial effects of previous events, and thus the need has emerged for more disclosure and transparency of quantitative or qualitative non-financial information about corporate governance, risk management and social performance with the aim of measuring the extent of the facility’s success in achieving its economic and social goals and thus assessing its ability to achieve sustainability. This is why sustainability reports emerged. (Muhammad Abdel-Ghani Ghoneimi, Abeer Ahmed Ali Khalil Abdel-Fattah, & Abdullah Abbas Sherine. (2022)

2.4.1 Advantages of sustainability reporting

Sustainability reports provide multiple advantages to exporting companies, the most important of which are:

1- Enhancing company continuity
2- Enhancing the company’s reputation and the market prices of its shares
3- Attracting skilled and distinguished workers and improving job satisfaction
4- Reducing business risks
5- Improving performance and operational efficiency and enhancing the level of safety and security for workers

6- Enhancing the ability to plan strategically in the long term
7- Reducing the cost of borrowing

2.4.2 Dimensions of sustainability

Environmental dimension: The environmental dimension of sustainability encompasses the practices and strategies businesses and organizations adopt to minimize their negative impact on the planet and contribute to a healthier ecosystem. This includes focusing on resource efficiency by reducing consumption of water, energy, and raw materials; preventing pollution through cleaner production processes and responsible waste management; conserving biodiversity by protecting habitats and promoting sustainable land use practices; and mitigating climate change by lowering greenhouse gas emissions and adapting to the inevitable effects. By integrating these environmental considerations into their operations, businesses not only contribute to a more sustainable future but can also benefit from cost reductions, enhanced brand reputation, and innovation opportunities. The World Commission on Environment and Development (WCED). (1987).

Social dimension: The social dimension of sustainability prioritizes the creation of a just and equitable society that fosters well-being for all. It focuses on respecting human rights, promoting fair labor practices, and ensuring social inclusion for diverse populations. This includes aspects like providing safe and healthy workplaces, offering opportunities for employee development, and engaging in responsible sourcing practices that respect human rights throughout the supply chain. The United Nations Sustainable Development Goals (SDGs).

Economic dimension: increasing cost-efficiency, increasing profits and business opportunities, operational stability and risk reduction, increasing attractiveness, increasing economic well-being. {Boar, A., Bastida, R., & Marimon, F. (2020)}

Strategic dimension: The strategic dimension of sustainability refers to the long-term planning and decision-making processes that organizations employ to integrate sustainability principles into their core business strategies. It's about ensuring that sustainability is not just an afterthought, but a driving force in how the organization operates and achieves its goals considering environmental, social, and economic impacts. "The Business Case for Sustainability" by Michael E. Porter and Mark R. Kramer 2016

2.4.2.1 Environmental sustainability

First Definition of the environment: The environment is defined as the total external conditions that affect the life, growth and survival of the organism. It is known that the natural environment depends on three main elements: air, water and the ground, and it is considered one of the essentials of life, and the ecosystem is characterized by a balance between its elements and the ecosystem can maintain this balance, but within certain limits that are affected. (sebaa, f.z. (2020))

Environmental sustainability It is the organization's inability to maintain environmental standards during Production processes to ensure customer satisfaction, the organization's ability to provide work procedures in the environmental disasters and the ability to preserve and maintain natural resources through creating integration between the physical environment and the social system. (Gast, J., Gundolf, K., & Cesinger, B. (2017)).

Environmental sustainability is based on the need to achieve a balance between existing determinants and environmental goals that would achieve comprehensive sustainable development for various aspects of life. Development projects in which individuals invested produced a number of changes that were accompanied by damage to the environment, which resulted in the holding of the United Nations Conference on Environment and Development in 1992, which Drawing attention to the importance of addressing development and environmental issues in order to preserve the human future) Maysum, Fadela, Akli and Naima (2017)

So, we conclude that environmental sustainability is the concept that refers to the ability to preserve the environment and its natural resources for current and future generations and that environmental sustainability aims to achieve a balance between the use and protection of natural resources, so that current generations can meet their needs without compromising the ability of future generations to meet their environmental needs.

2.4.2.2 Social organizational sustainability (SOS):

Social sustainability is a social organization system that has a role in reducing poverty Al Sarrah, M., Ajmal, M. M., & Mertzanis, C. (2021). Works to achieve participation and equality among all groups of society and the sharing of rights with responsibilities in companies and organizations, it works to maintain the growth of social and human capital and provide it as human capital is preserved through achieving human development (education, training and health occupational safety and safety in the workplace and the development of competence), equality (fair salaries and benefits, equal opportunities and the absence of discrimination in the workplace), ethical considerations (human rights, cultural values, interaction between generations and within-generation of justice), avoiding exploitation of individuals, promoting democracy, expanding the range of personal choices and distributing resources and property rights in a fair way (Oliveira, 2013).

The social aspect works on equitable access to the commodities of nature between generations, races, different cultures and members of society (Lavanderos & Fiol 2010), where social trust and cultural norms that facilitate coordination and cooperation to achieve mutual benefit; SOS covers the following characteristics: fair pay, equal opportunity, quality of life, social integration in communities, solidarity, good health and safety conditions, reward system, securing ideas for improving the triple bottom line, job satisfaction, developing competency and training, career plans, ethical organizational behavior, equity and justice in the distribution of goods and services (Oliveira, 2013; Braccini & Margherita, 2018).

Social sustainability refers to the ability to maintain social balance and social justice in societies for current and future generations, Social sustainability aims to achieve societies that are fair and equal and enjoy diversity and inclusion, which ensures well-being, equality and human rights for all members of society, as it has several aspects, including: Social justice is the attempt to achieve equality and equal opportunities for all, also the attempt to encourage the effective participation of all segments of society, supports cultures and diversity by creating an environment that allows for peaceful life and positive interaction, and finally investing in society by stimulating social investments to enhance infrastructure and provide opportunities and services to enhance collective life.

Based on this, we conclude that social sustainability, which is part of sustainability, must balance our social needs with the needs of future generations, to create societies where basic needs such as education, health care, housing, and safety are met for all individuals. By prioritizing these aspects, future generations can enjoy a better quality of life, also to provide opportunities for learning, skills development and personal growth; this investment in education creates a knowledgeable and skilled workforce for the future and to provide long-term stability, social sustainability contributes to the stability and prosperity of societies in the long term by addressing social issues and promoting inclusivity, societies can create a more stable environment for future generations.

In summary, social sustainability plays a crucial role in shaping the world for future generations by fostering fair, inclusive and resilient societies; Prioritizing social well-being today ensures a better tomorrow for the generations to come.

2.4.2.3 Economic sustainability

The economic dimension refers to the attitude of the organization to creating value and achieving a balance between costs and income in the production and distribution of goods and services (Braccini & Margherita, 2018). Economic sustainability is linked to a production system that ensures meeting current consumption needs without compromising / touching on future consumption and preserving it for future generations,

Where (Oliveira, 2013) confirmed that economic sustainability works to achieve profit, and thus increase employment opportunities, which leads to improving living conditions, providing social _welfare and helping to maintain the existence of organizations (survival of the "organized" company) without generating and increasing profits, the "organized" company will disappear and close its work. The economic aspect is the one that deals with the flow of money and financial profit, which usually includes income or expenditures, taxes, business climate factors, employment, and business diversification factors (Murray, 2016).

Through (ECOS) the organization can carry out its activities in a responsible and recognized manner with achieving a social and economic return for all, achieving a competitive advantage, being able to compete with other companies, integrating into new markets, developing its reputation and its work, and growing itself in the middle of the market and other organizations (Oliveira, 2013).

The concept of economic sustainability in general and broadly appeared in association with development, as the initial signs of the concept's emergence came around 1915 through the Canadian Commission for Nature Conservation, which endorsed the necessity of transferring natural capital to future generations. The second step in its appearance emerged in 1923 through the International Conference on Conservation, titled 'The Obligation to Preserve Nature and Rational Use of Resources.' The concept of sustainability became evident in 1972 through the United Nations Conference on the Environment, which highlighted the idea of making development compatible and harmonious with the environment. The complete picture emerged in 1987 with the publication of the Brundtland Report, which included various concepts of sustainable development, {Al-Kafi (2017)}; In 1992, the concept of economic sustainability entered officially and its importance and dimensions were defined through the first Earth Summit held in Rio de Janeiro, known for issuing what became known as Agenda 21. This emergence aimed to strengthen ideas and data that advocate for the connection between the strong desire for development achievement, increasing growth rates across various sectors, and all economic and social indicators. It also emphasized the components of the environment that provide us with natural and primary resources, highlighting the necessity to consider the conservation of the rights of future generations in these resources. This consideration is crucial to enable those future generations to adopt strategic policies that secure life's necessities naturally. {Muhammad, Abbas Ali (2020)}.

2.4.2.4 Strategic sustainability

Kotler stated that strategic management was the process of developing and shaping the relationship between the Organization and the environment in which it operated by defining the message and objectives of business strategies and plans for all operations and activities of the Organization (Kotler & Berger, 2016), while Thompson presented a holistic concept of strategic management and considered that it was a process by which the Organization was able to define its objectives, determine the actions needed to achieve those goals in a timely manner, pursue those actions and activities, and assess the level of progress and results achieved (Thompson, 2017).

Strategic sustainability embodies a forward-thinking approach that integrates sustainable practices into the core strategies of an organization or entity. It involves a comprehensive and purposeful alignment of objectives, policies, and actions with sustainable principles. This entails not only considering immediate benefits but also prioritizing long-term impacts on the environment, society, and the economy. Embracing strategic sustainability requires proactive planning, innovative solutions, and a commitment to balance economic growth with environmental preservation and social equity. By adopting this approach, organizations can navigate challenges, capitalize on opportunities, and contribute positively to a more sustainable future, fostering resilience and enduring success.

2.4.3 The importance of sustainability in Palestine

Spans across various domains and plays a vital role in achieving comprehensive and sustainable development, Sustainability is vital for Palestine's economy, by keeping policies sustainable, it helps grow the economy and create new jobs in eco-friendly areas, this stability supports long-term financial balance.

Also on a social level, sustainability contributes to empowering local communities and improving life quality by supporting education, enhancing healthcare, and ensuring equal social opportunities, Environmentally, it fosters environmental protection and sustains natural resource use, crucial for preserving both the environment and public health.

Finally, in Palestine, sustainability plays a role in preserving cultural and historical heritage, strengthening national identity, and safeguarding cultural heritage for future generations. Overall, this leads to comprehensive and sustainable development in Palestine, fostering a balance among the environment, economy, and society

2.5 Corporate governance

The ultimate purpose of good governance is to improve human development. The goals of good governance cannot be achieved without improving human development, Therefore, development and governance are interrelated, where good governance can only ensure the sustainability of human development. Accountability, transparency, inclusiveness, and responsiveness are essential parts of good governance that are essential to healthy human development (Chaudhary, D. (2019).

Corporate governance (CG) refers to the rules, practices and processes by which a company is executed and managed. Good CG ensures that companies operate efficiently and effectively and maximize shareholder value (Alodat, A. Y., Salleh, Z., Hashim, H. A., & Sulong, F. (2022)

Governance is known as one of the terms used in the economic field today. Thus, it is necessary to clarify the meaning of governance among economists. Several definitions are presented for this term. One of these is the International Finance Corporation (IFC) definition. It stated that governance is "The system by which companies are managed and controlled."

The Organization for Economic Co-operation and Development (OECD) defined it as: "a set of relationships between the directors of the company, the board of directors, shareholders and other stakeholders". Another definition specifies that" Governance" is a set of laws, regulations and decisions that aim at achieving quality and excellence in performance by selecting appropriate and effective methods to achieve the company's plans and objectives. Rajoub, S. (2022)

The Cadbury Report (1992) defines corporate governance as the system by which companies are directed and controlled. This report claims that the duty for corporate governance lies with the board of directors whom appointed by shareholders to ensure that a proper governance structure is in place. The responsibilities of the board include setting the company's strategic aims, providing the leadership to put them into effect, supervising the management of the business and reporting to shareholders on their stewardship. The board's actions are subject to laws, regulations and the shareholders in general meeting.

Saudi Capital Market Authority defines the corporate governance as rules to lead and guide the Company that includes mechanisms to regulate the various relationships between the Board, Executive Directors, shareholders and Stakeholders, by establishing rules and procedures to facilitate the decision making process and add transparency and credibility to it with the objective of protecting the rights of shareholders and Stakeholders and achieving fairness, competitiveness and transparency on the Exchange and the business environment. The main objective of this study is to examine the impact of corporate governance on financial performance among Saudi cement companies. Board independence, board size, board meeting, and managerial ownership are utilized to measure corporate governance in the current study. Bajaher, M. S. (2019)

Based on the above-mentioned definitions, we conclude that the term "governance" refers to the good management of commercial institutions and companies that generate profits in order to prevent them from manipulating consumers, and to preserve businesses from being collapsed.

This system seeks to create a state of balance and stability in financial institutions in general. Thus, the term "governance" is used in modern economics for the purpose of good management of financial institutions with a view to monitor and observes these institutions. This understanding stands for the meaning of governance.

The term "governance" as text and content is a new term. Several studies have confirmed that the first use of the term was after the financial and economic crisis that emerged in the nineties of the last century in several countries in the world, such as America and East Asia and Russia. The economy of these countries and other ones suffered from major economic declines and led to the bankruptcy of many companies and banks and the like. which undermine confidence in these companies by shareholders and investors. Studies confirm that the administrative and legal abuses to obtain money - whether in person or for the benefit of the institution form the main reason for the existence of such financial crises. This situation creates a bad need for establishing an administrative system to control companies and financial institutions in general within the States. The system aims to strengthen the economy and prosperity by monitoring individuals and companies as well as governments in the economic field. This in turn creates confidence by investors in such financial institutions, and drives towards investment.

Governance aims to enhance trust in the company by shareholders, including: good management, transparency accountability, justice…, which in turn fulfills the highest interest for which the company originated. It also gives the investor an incentive to invest, and encourages others to do so.

- (BODs) - (Managers) - (Shareholders). Rajoub, S. (2022)

Starting with the fundamental dimensions of governance based on previous studies, Transparency & Disclosure, Justice & Fairness, Responsibility, Independence.

2.5.1 Transparency & Disclosure

The United Nations describes it as the unrestricted movement of information, openly accessible to all involved parties, enabling them to acquire essential data for error detection, uphold their interests, and promptly make suitable decisions. Others interpret it as ensuring that external users possess equivalent information to the administration, granting them access to such data, thereby enabling oversight of managerial actions.

In this sense, donors are beginning to show greater interest in transparency and are working to reconsider the conditions, laws and requirements of the civil society organizations' organizations, in order to achieve appropriate levels of disclosure and to make their activities more transparent. Transparency plays a role in maintaining the financial stability of the organizations and avoids shocks. Catastrophic It is therefore possible to say that the concept of disclosure and transparency in civil society organizations is based on the development of a set of disclosure requirements that allow its clients to assess the risks related to the work with them, the quality and accuracy of the financial reports submitted by them and their ability to implement the programs and activities which helps to measure their ability to continue, dumping parties involved in information that is difficult to analyze or use to identify the actual size of the organization. {Calik, A., Nasif, A. (2019).}

so we conclude that transparency and disclosure refer to the practices of openly sharing information, data, or details about an organization's operations, decisions, finances, or any relevant information that stakeholders or the public might find valuable. Transparency involves the clear and accessible presentation of this information, while disclosure specifically pertains to the act of making it available to others. These practices are crucial for fostering trust, accountability, and informed decision-making among stakeholders, whether they are within an organization or outside it, such as the public, investors, or regulatory bodies.

2.5.2 Justice & Fairness

The concept of organizational justice has considerable attention from both academic and researchers, the attention came from the literature that organizational justice influence number of behaviors and attitudes such as organizational commitment, job satisfaction, leadership evaluation and job performance (Raza, K., Rana, N. A., Qadir, M., & Rana, A. M. (2013).). The first introduced of organizational justice was by Adams (1965), in equity theory. According to equity theory, "an employee's compares outcome/input ration with referent others and pay satisfaction is dependent on the comparison of the person's ratio with a comparison other". On the other hand, in social exchange theory the "outcomes" stands for rewards, money, increased status, authority, or enjoyable work/duties where as "inputs" stands for age, seniority, social status, education, effort, ability or skill, etc.

Moreover, Greenberg (1990), has defined Justice as fairness given to people on the basis of implied and overt nature of organizational roles and duties, Organizational justice is an important concept human resource management and organizational behavior. Organizational justice is defined as an employee's perception to fairness in the work environment, and their perception towards the fairness of their awards (pay) and processes applied. Al-Shorbaji, Adel Muhammad Ali (2015).

So we conclude that Justice and fairness stand as the bedrock of effective governance, embodying the principles that ensure equitable treatment and ethical decision-making within societal frameworks. In governance, justice entails the impartial and unbiased treatment of individuals, irrespective of their backgrounds or affiliations. Fairness extends this principle, ensuring that opportunities, resources, and benefits are distributed equitably among all members of society. It involves the implementation of transparent processes, providing avenues for input and appeals, and addressing systemic inequalities.

2.5.3 Responsibility

Responsibility in governance refers to the ethical and accountable behavior expected from institutions, organizations, and individuals involved in decision-making and public administration. It involves acting in the best interests of stakeholders, considering the impact of decisions on the broader society, and being transparent about actions taken. This responsibility spans various aspects, including financial stewardship, ethical decision-making, adherence to laws and regulations, and a commitment to societal welfare. Upholding responsibility in governance helps build trust, legitimacy, and ensures that decisions align with ethical principles and the greater good.

the concept of corporate social responsibility probably has as many different definitions as it has initiatives gathered under its rubric, Ruth Kuras defines corporate social responsibility as corporations "spending corporate funds, at the discretion of corporate management, on doing 'good works' for the community or as refraining from doing 'bad works. "82 She also says that it has been described "as denoting the 'obligations and inclinations, if any, of corporations organized for profit, voluntarily to pursue social goals that conflict with their presumptive shareholder desire to maximize profit. Babcock, H. M. (2010)

Corporate Social Responsibility (CSR) as Tai, F. M., & Chuang, S. H. (2014) says, it is a process with the aim to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere who may also be considered stakeholders; Social responsibility is a responsibility and obligation to protect, foster, increase and enhance the benefit of stakeholders and social people, it epitomizes the ethical obligation and accountability of institutions and individuals toward equitable decision-making, ethical conduct, and societal well-being. It encompasses the conscientious stewardship of resources, transparent decision processes, and a commitment to addressing societal needs and concerns. At its core, responsibility in governance demands a vigilant adherence to ethical standards, ensuring that decisions reflect not only the interests of stakeholders but also the broader community and future generations. Embracing responsibility within governance frameworks not only fosters trust and legitimacy but also cultivates a culture of ethical leadership and sustainable development, serving as a cornerstone for building resilient and inclusive societies.

2.5.4 Independence

Independence in governance embodies the autonomy and impartiality of decision-making bodies, institutions, or regulatory authorities from undue influence or control. It encompasses the freedom to operate transparently and without bias, ensuring decisions are made in the best interests of the organization or the public, rather than being swayed by external pressures or conflicts of interest. This independence can manifest in various contexts, such as the autonomy of regulatory agencies, the impartiality of judiciary systems, or the unbiased oversight of corporate boards. Upholding independence in governance is crucial for maintaining accountability, integrity, and trust in the functioning of institutions within society. Independence implies that the auditor is able to perform his work without being subject to any pressure. Independence has been linked to the profession since its it became even known. It has created the appropriate environment for the development of the profession. It could be argued that without independence, it will be hard to justify the need for an audit process and it will definitely lose its goal. The auditor has to have independence in appearance; which means he should not have any material interests, directly or indirectly with the auditing client in a manner which does not reflect his independence to the public. Indeed, the auditor has to be straightforward, objective, honest and unbiased to any of the parties and should act neutrally when accepting and the completing the designations and preparing the statements, such auditor shall be governed by the audit values, standards and self-values. Al Naami. A. S. Al Msshal. B. H. Nashwan, I. M. 9 Ashekhali. M. K. (2014).

*** Good governance**

Good governance Contributes to enhancing comprehensive development including sustainable human development, where it plays an effective role in providing social and public services. Human development gives the necessary capabilities to the citizens to improve their conditions and alleviate poverty. Governance includes a set of political, economic, and administrative aspects that interact together to create sound development.

The rule of law, participation, independence, public accountability, responsiveness, transparency &Disclosure, equity, inclusion, efficiency, and decentralization are key institutional frameworks for democratic and good governance (Chaudhary, 2019). Achieving sustainable human development requires the availability of sufficient authority, capabilities, economic resources, and good governance. Thus, the relationship between good governance and human development is interrelated and each of them affects the other, although governance has become the most significant factor in achieving economic growth and sustainable human development, few studies investigated the relationship between governance and human development, in addition to the scarcity of studies that dealt with the relationship between governance and sustainable human development. Rizq Allah, Waseem Wajih Al-Kassan (2022).

We conclude that effective governance structures, policies, and collaborations are vital for addressing environmental challenges, fostering economic growth, managing natural resources and creating equitable opportunities in the midst of persistent socioeconomic and political context. the alignment between governance mechanisms and sustainable strategies in Palestine is essential for fostering resilience and achieving long-term socio-economic and environmental stability.

2.6 Moderator variables

Moderator variable is a factor that influences the strength or direction of the relationship between the independent and dependent variables. It essentially qualifies or conditions the initial relationship. Moderators help researchers understand under what conditions or for whom certain effects are more pronounced. For instance, in my study focusing on upgrading SMEs' sustainability through good governance, the moderator variable is organizational size, this means that the impact of good governance on sustainability may vary depending on the size of the organization. Organizational size, being a moderator, allows for a nuanced exploration of how the relationship between governance and sustainability changes or is influenced in different-sized SMEs.

Understanding the moderating role of organizational size provides deeper insights into the specific contexts and conditions under which the governance-sustainability relationship operates within SMEs, contributing to a more comprehensive and context-specific interpretation of your research findings.

2.6.1 Organizational size

Organizational size refers to the scale of an organization, typically measured by the number of employees, total assets, or revenue. It's a key factor influencing various aspects of a business, from its structure and decision-making processes to its resource allocation and market competitiveness. There's no single, universally accepted definition of organizational size categories. European Commission. (2003, May 6). Acting as a moderator in my research, offers a focused lens to understand how the relationship between governance and sustainability varies across SMEs, larger SMEs, with more resources, may excel in implementing these practices, while smaller ones, though flexible, might face distinct challenges.

The impact of organizational size extends to compliance standards and stakeholder engagement, influencing the dynamics of governance and sustainability initiatives, recognizing it as a moderator is like having a powerful tool that unveils specific insights, aiding in tailoring effective strategies for diverse SME characteristics and optimizing sustainability success.

2.6.2 Innovation capability

Innovation capability refers to an organization's ability to continuously identify, develop, and implement new ideas that create value. Teece, D. J. (1998).

the dynamic nature of innovation capability introduces an additional layer to the interaction between the dependent variable (governance) and the independent variable (sustainability).

innovation capability refers to the ability of SMEs to foster and implement innovative practices in their operations, products, and services. It plays a role in influencing how sustainability practices are adopted and managed within SMEs.

An organization with strong innovation capability is likely to adapt more readily to sustainable practices, integrating them seamlessly into its overall strategy. For instance, SMEs with higher innovation capabilities might find it easier to align governance structures with sustainable practices, leading to a more effective implementation of sustainability initiatives.

2.7 Previous Studies

The body of research on corporate governance and its impact on small and medium-sized enterprises (SMEs) underscores its pivotal role in enhancing sustainability and performance across various dimensions. Pasquali and De Marchi (2022) and Buallay (2021) both examine the impact of governance on businesses but in different contexts. Pasquali and De Marchi focus on how government regulations influence technology use and global market access for small- and medium-sized enterprises (SMEs) in Kenya's leather industry. They highlight the role of public governance in supporting technological capabilities once firms enter global value chains (GVCs). Similarly, Buallay analyzes governance in the banking sector of the MENA region, finding that corporate governance significantly impacts market and financial performance. Both studies emphasize the importance of governance in enhancing business capabilities and performance.

Bui and Krajcsák (2023) and Al-Yami and Al-Sawat (2022) investigate corporate governance in different sectors and regions. Bui and Krajcsák focus on the relationship between corporate governance and financial performance in publicly listed Vietnamese companies, showing that good governance practices improve financial outcomes and limit investment risks. Al-Yami and Al-Sawat, on the other hand, examine governance standards in Najran's governmental health sector, finding that high governance standards improve worker performance. Both studies underscore the critical role of governance in enhancing organizational performance and efficiency.

Rizq Allah and Al-Kassan (2022) and Sadiq et al. (2023) explore governance and sustainable development in different regions. Rizq Allah and Al-Kassan investigate the relationship between good governance and sustainable human development in Egypt, concluding that improving governance indicators is crucial for long-term human development. Similarly, Sadiq et al. examine the role of environmental, social, and governance (ESG) factors in achieving sustainable development goals (SDGs) in ASEAN countries, finding positive associations between ESG factors and economic growth. Both studies highlight the importance of governance in promoting sustainable development.

Lükason and Susi (2019) and Camilleri (2017) examine corporate governance in SMEs and corporate social responsibility (CSR). Lükason and Susi focus on the relationship between governance and failure risk in Estonian SMEs, finding that certain governance practices can reduce failure risks. Camilleri investigates CSR policies in the United States, emphasizing the importance of regulatory guidelines in promoting responsible corporate behaviors. Both studies underscore the significance of governance and CSR in enhancing business sustainability and reducing risks.

Drago and Fortuna (2023) and Hassan, Elshourbagi, and El-Setouhi (2020) focus on sustainability and corporate social responsibility in different contexts. Drago and Fortuna examine the relationships in corporate governance and sustainability literature, finding that CSR practices help build lasting connections with stakeholders. Hassan, Elshourbagi, and El-Setouhi explore the relationship between sustainability orientation and new product development in Egyptian restaurants, highlighting the positive impact of sustainability practices on innovation. Both studies emphasize the importance of sustainability and CSR in driving business growth and stakeholder engagement.

Al-Omari and Al-Shalabi (2022) and Al Harithy et al. (2021) investigate strategic management and corporate governance in family businesses and SMEs. Al-Omari and Al-Shalabi focus on the impact of strategic management on the performance of SMEs in Jordan, finding that effective strategy implementation enhances SME performance. Al Harithy et al. explore the roles of board corporate governance and family constitution in fostering sustainable family businesses in the Gulf Cooperation Council (GCC), emphasizing the need for robust governance frameworks. Both studies highlight the critical role of strategic management and governance in ensuring business sustainability and performance.

Chaabouni, Khedher, and Saadaoui (2019) and Bosu-Anquandah, Amoah, and Mensah (2018) examine the link between corporate governance and financial performance, as well as sustainability. Chaabouni, Khedher, and Saadaoui find that strong corporate governance practices are positively associated with better financial performance in SMEs, particularly in environments with higher levels of uncertainty. Bosu-Anquandah, Amoah, and Mensah focus on the sustainable performance of SMEs in Ghana, highlighting that effective governance practices positively influence the environmental, social, and economic dimensions of sustainability. Both studies underscore the multifaceted impact of good governance on creating a sustainable business model for SMEs.

Together, these studies illustrate the profound impact of corporate governance on SME sustainability and performance, emphasizing the critical role of governance in enhancing financial stability, fostering innovation, and promoting sustainable development. They collectively advocate for strengthening governance frameworks to support the long-term viability and growth of SMEs globally.

2.8 Discussion of literature review

Introduction

Good governance is essential for the sustainability of Small and Medium-sized Enterprises (SMEs) in an ever-evolving political and economic environment. Effective governance practices form the backbone of sustainable business operations, fostering transparency, fairness, responsibility, and independence. These principles help SMEs to navigate challenges, optimize resource utilization, and contribute to local communities, thereby securing a sustainable competitive edge.

Impact of Transparency and Disclosure

Transparency and disclosure are important elements of good governance that significantly impact business sustainability. Bui and Krajcsák (2023) demonstrated a positive correlation between transparency and financial performance in Vietnamese companies, emphasizing that clear disclosure practices enhance governance quality and mitigate investment risks. This relationship suggests that SMEs adopting transparent practices can build trust with stakeholders, thereby enhancing financial stability and long-term sustainability.

Furthermore, Pasquali and De Marchi (2022) highlighted how government regulations, which often include transparency requirements, bolster the technological capabilities of Kenyan SMEs in the leather industry. These enhanced capabilities facilitate global market access and competitive positioning. Transparent practices thus contribute to SMEs' ability to innovate and adapt, ensuring their sustainability in dynamic markets. Transparency in governance positively influences environmental sustainability practices by fostering accountability and ensuring resources are used efficiently.

Impact of Justice and Fairness

Justice and fairness in governance practices are pivotal for fostering a sustainable business environment. Al-Yami and Al-Sawat (2022) illustrated the positive impact of governance standards on employee performance in Najran's governmental health sector, indicating that fair and just governance practices lead to higher employee satisfaction and productivity, which are crucial for the sustainable performance of SMEs. Fair treatment of employees and equitable decision-making processes are integral to maintaining organizational stability and sustainability.

Similarly, Lükason and Susi (2019) found that governance practices emphasizing fairness and equality can reduce the risk of failure in Estonian SMEs. Their study suggests that fair treatment of employees and equitable decision-making processes are integral to maintaining organizational stability and sustainability. Fair and impartial decision-making within organizations is positively associated with improved social sustainability by promoting a cohesive and motivated workforce.

Impact of Responsibility

Responsibility in governance encompasses ethical behavior, accountability, and the efficient use of resources. Rizq Allah and Al-Kassan (2022) explored the long-term effects of good governance on sustainable human development in Egypt. They concluded that responsible governance practices, such as controlling corruption and improving government effectiveness, are crucial for long-term sustainability. For SMEs, adopting responsible governance means implementing ethical practices, ensuring accountability, and managing resources effectively, which are key to achieving sustainable growth.

Al-Omari and Al-Shalabi (2022) further emphasized the importance of strategic management in enhancing the performance of Jordanian SMEs. Their findings underscore the necessity for SMEs to adopt responsible governance practices to achieve economic sustainability. High levels of social responsibility in business practices are linked to enhanced economic sustainability by ensuring ethical operations and fostering trust with stakeholders.

Impact of Independence

Independence in governance refers to the autonomy of decision-making bodies within an organization, free from undue influence. Buallay (2021) examined the relationship between governance and performance in banks in the MENA region, finding that independent boards positively influence financial and market performance. This independence allows for unbiased decision-making, which is crucial for the strategic direction and innovation capability of SMEs.

Sadiq et al. (2023) highlighted the role of governance in achieving sustainable development goals in ASEAN countries, indicating that independent decision-making bodies are better positioned to implement innovative and sustainable practices. Independence in decision-making by the governance body is positively correlated with the innovation capability of the organization, enabling SMEs to remain competitive and adaptable.

2.9 Research hypothesis:

Upon reviewing the literature, the following main and specific hypotheses were formulated based on the discussion.

Main hypothesis:

Ha: Good governance is essential for enhancing the long-term viability and success of small and medium-sized enterprises.

Specific Hypotheses:

Ha1: Enhanced transparency in governance has a positive impact on the environmental sustainability practices of small and medium-sized enterprises

Ha2: Making fair and impartial decisions within the organization is linked to improved social sustainability.

Ha3: High levels of social responsibility in business practices are linked to improved economic sustainability.

Ha4: Independence in decision-making by the governing body is positively associated with the organization's innovation capability.

3. Chapter three

Research design and methodology

3.1 Introduction

The chapter describes the methodology applied in the study such as study population, sample size, study method, data sources, study tools, model, and data analysis. Research methodology depends on the analysis of data and the use of a stratified random sampling, which depends on the poll using (SPSS) software for statistical analysis.

3.2 Research method

This study used the descriptive-explanatory approach, Descriptive research is undertaken to ascertain and be able to describe the characteristics of the variables of interest in a situation. The goal of a descriptive study is to offer the researchers an accurate profile of events, persons, or situations or to describe relevant aspects of the phenomenon of interest from an individual, organizational, industry-oriented, or another perspective. The emphasis in explanatory research is to study a situation or a problem to explain the relationships between variables (Saunders, M., Lewis, P., & Thornhill, A. 2012). In this study, the descriptive analytical approach aims to describe and investigate to how does the implementation of good governance practices contribute to the sustainable upgrading of Small and Medium-sized Enterprises (SMEs), and the explanatory research will explain the relationships between these variables.

3.3 Data sources

To achieve the research objectives, two essential data collection sources were used, which are:

1. Primary sources: Information obtained first-hand by the researcher on the variables of interest for the specific purpose of the study (Saunders, M., Lewis, P., & Thornhill, A.

2012). The study collected the primary data through a questionnaire as main tool, that was designed to meet the research objectives.
The questionnaire was distributed to a sample of (210(out of the small and medium enterprises in Bethlehem.

2. Secondary sources: Information gathered from sources that already exist (Saunders, M., Lewis, P., & Thornhill, A. 2012). Secondary data can be obtained from several sources
3. such as textbooks, journals, theses, articles, reports, and some previous studies.

3.4 Study tools

3.4.1 Questionnaire

The questionnaire is a preformulated written set of questions to which respondents record their answers, usually within rather closely defined alternatives (Cooper and Schindler, 2014). After reviewing the literature and reading previous studies, the variables of the study that the questionnaire will be developed depending on it were determined, the questionnaire is the main tool to obtain and collect primary data that help to achieve the objectives and answer the questions of the study. The developed questionnaire was designed in both Arabic and English and conducted a pilot test for it, then it was modified based on the tests' recommendations to be distributed to the study population.

3.4.2 Development of the questionnaire

Questionnaires can be used for both descriptive and explanatory research. In descriptive research, questionnaires help to identify and describe the variability in different phenomena. While in explanatory research, questionnaires help to examine and explain relationships between variables (Saunders, M., Lewis, P., & Thornhill, A. 2012).

In this study, we use a questionnaire because it is one of the most widely used data collection methods within the survey strategy, each respondent is asked to respond to the same set of questions, which provides an efficient way of collecting responses from a large sample.

The questionnaire consists of six sections:

The first section relates to the respondents' file: socio-demographic variables (gender, respondent type, age, academic qualification, work experience, Membership in Professional Organizations.) and it consists of 6 questions.

The second section relates to governance in SMEs and it contains four dimensions: Transparency and disclosure, Justice and fairness, Responsibility, Independence. and it consists of 12 questions.

The third section relates to the business sustainability in SMEs and it contains four dimensions: Environmental, Social, Economic, Strategic, and it consists of 12 questions.

The fourth section relates to the Moderator variables, Organization size, Innovation capability, it consists of 6 questions.

In the second, third, fourth sections the elements were measured by using the Likert scale, the answer scale and weights were given as follows:

Table 3.1: Paragraphs' answer scale and weights Answer scale

Answer scale	Strongly agree	agree	Sometimes	Disagree	Strongly disagree
weight	5	4	3	2	1

The fifth section:

The fifth section has been completed to measure the importance of governance and sustainability variables for the respondent. Their importance has been ranked from 1 to 4, with 1 being the most important and 4 being the least important.

The sixth section:

is developed to measure the quality of the questionnaire, it consists of 6 questions.

3.4.3 The survey administration

This study is a descriptive-explanatory study in which the researcher uses quantitative methods for collecting data using questionnaires. The questionnaire is the main tool to collect data from the study population, (210) questionnaires were distributed to the study sample but (135) questionnaires were retrieved.

3.4.4 Reliability and validity of the study tool

We need to be reasonably sure that the instruments we use in our research do indeed measure the variables they are supposed to, and that they measure them accurately. The Characteristics of Good Measurement tool should be an accurate counter or indicator of what we are interested in measuring. In addition, it should be easy and efficient to use. Major criteria for evaluating a measurement tool: validity and reliability) Cooper, D. R., & Schindler, P. 2014).

3.5 Study population

The study population for this research comprises small and medium-sized enterprises (SMEs) operating in Bethlehem, Palestine. With a total of 5470 SMEs across Palestine, the geographic focus of this study specifically targets those located in Bethlehem. These enterprises span various sectors of the industry, reflecting the diverse economic landscape of the region. SMEs are categorized based on the number of workers they employ, with small enterprises typically having 10 to 19 workers, and medium enterprises having 20 to 49 workers. Size categories further delineate the SME landscape, with micro-enterprises constituting the majority, totaling 130,866 establishments across Palestine. Additionally, there are 10,847 very small enterprises, and in Bethlehem specifically, 272 small enterprises, alongside 186 medium enterprises meaning a total of 458 SMEs in Bethlehem. This comprehensive overview of the study population provides a foundational understanding of the SME landscape in Bethlehem, serving as a critical framework for the research analysis. based on the Palestinian Central Bureau of Statistics – Ramallah (2021)

3.6 Sample design

stratified random sample was adopted in this study. As shown in the table below.

- A stratified random sample of small and medium enterprises was selected (210) in the city of Bethlehem.

Sample size

Percentage=
(Number of SMEs in Bethlehem included in research/Total number of SMEs in Palestine)×100

8.38% of the target population (Saunders et al., 2016).

- The estimated level of confidence = 95% (z = 1.96)

- The estimated margin of error = 5%

- The response rate = 64.2%. Only 135 questionnaires were retrieved.

* Stratified random sampling is a probability sampling technique where a population is divided into subgroups, called strata. These subgroups are formed based on shared characteristics relevant to the study, such as age, gender, income level, education, or any other relevant factor. The key is to ensure the strata are mutually exclusive (no overlap) and collectively exhaustive (all members of the population belong to one stratum). Churchill, G. A., & Brown, T. J. (1996)

3.7 Description of the Study variables

we need to be clear about which relationships we think are likely to exist between variables, concerning the previous studies that related to the subject of the study, it was found that the variables are as follows:

1. Dependent variable: The variable of primary interest of the study. It is dependent on the independent variable and changes in response to changes in other variables (Saunders et al, 2016). This variable is represented in this study by sustainability, it focuses on the factors of sustainability that are determined according to the model, which consists of Environmental, Social, Economic, and Strategic sustainability.

2. Independent variable: The variable that influences the dependent variable in either a positive or negative way (Cooper and Schindler, 2014) and causes changes in the dependent variable but is not affected by it (Saunders et al, 2016). This variable is represented in this study by the governance.

3. Moderator variables: It acts as a mediator between the independent variable and the dependent variable and transmits the effect of an independent variable to a dependent variable

3.8 Used programs & packages:

1- Statistical package for social science (SPSS), It is a suite of software programs that analyzes scientific data related to the social sciences. SPSS offers a fast-visual modeling environment that ranges from the smallest to the most complex models. The data obtained from SPSS is used for surveys, data mining, market research, etc.

2- IBM SPSS Amos is a specialized statistical software program that can fit a class of statistical models called *structural equation models* (SEM). Unlike SPSS Statistics, SPSS Amos is only available for the Windows operating system.

3- SmartPLS4 is a milestone in latent variable modeling. It combines state of the art methods (e.g., PLS-POS, IPMA, complex bootstrapping routines) with an easy to use and intuitive graphical user interface.

3.9 Statistical techniques

1- Computing frequencies and percentages to describe the study' sample, by its demographic variables.
2- Explanatory factor analyses, to determine how many factors the data contain, and the observed variables that contribute at these factors, and to determine the variables that make confusion at the analyses.
3- Confirmatory factor analyses, to confirm the results of the explanatory factor analyses by the measurement model, and the indices that prove the fit of that model, Where (EFA and CFA) and structural equation modeling (SEM) are statistical technique that one can use to reduce the number of observed variables into a smaller number into latent variables by examining the covariation among the observed variables.
4- Computing the means and standard deviations to determine the degree of each paragraph (observed variables) of the study, after EFA and CFA.
5- One Way Analyses Of Variance (Anova), and Independent sample t_test, to test the significancy of the differences between the means of the main fields of the questionnaire, based on the demographic variables of the study tool.
6- Simple linear regression, to test the significancy of the linear relationship between the dependent variable and the independent linear variables, and to test the significancy of the effect of the independent variables on that dependent variable.
7- Reliability coefficient computing, like Cronbach's alpha, Composite reliability (rho-a), Composite reliability (rho-c), Average variance extracted (AVE), and discriminant reliability.

3.10 Characteristics of the study' sample:

the analyzed data, as it appears at table (3.2) showed that the distribution of the study sample according to demographic properties of the sample, the sample distributed according to gender, so that it contains (106) male with percent of (78.5), and (29) female with percent of (21.5). And it distributed according to Job center, so that it contained (24) manager owner, with percent of (17.8), and it contained (32) only owners, with percent of (23.7), and (70) only managers, with percent of (51.9). and it distributed according to age, so that it contained (27) their age (less that 30 year) with percent of (20), and it contained (54) their age (from 30 to 40 year) with percent of (40), and it contained (26) their age (from 41 -50 year) with percent of (19.3), and it contained (16) their age (from 51 – 60 year) with percent of (11.9). while it distributed over education so that it contained (32) having diploma with percent of (23.7), and it contained (71) having (BA) with percent of (52.6), and it contained (32) having (MA) with percent of (23.7). And it distributed according to experience, so that it contained (43) having experience (less than 6 years) with percent of (31.9), and it (48) having experience (from 6 to 9 years) with percent of (35.6), and it contained (44) having experience (more than 9 years) with percent of (32.6).

And it distributed according to (Membership in professional bodies) so that it contained (27) Member of a trade association, with percent of (20), and it contained (15) Member of a sustainability organization, with percent of (11.1), and it contained (82) of Not a member of any professional organization, with percent of (60.7), and finally it contained (11) Member of a government-related organization, with percent of (8.1).

Table (A- 3.2) Sample distribution on the Demographic variables:

Variable	Category	Frequency	Percentage
Gender	male	106	78.5
	Female	29	21.5
Job center (are you?)	owner and manager	24	17.8
	only owner	32	23.7
	only manager	70	51.9
	other	9	6.7
Age	less than 30	27	20.0
	from 30 to 40 year	54	40.0
	from 41 to 50 year	26	19.3
	from 51 to 60 year	16	11.9
	More than 60 your	12	8.9
Education	Diploma or less	32	23.7

Table (B- 3.2) Sample distribution on the Demographic variables:

	BA	71	52.6
	MA	32	23.7
Experience	less than 6 years	43	31.9
	from 6 to 9 years	48	35.6
	more than 9 years	44	32.6
Membership in professional bodies	Member of a trade association	27	20.0
	Member of a sustainability organization	15	11.1
	Not a member of any professional organization	82	60.7
	Member of a government-related organization	11	8.1

4. Chapter four

Empirical results

4.1 Introduction

This chapter focuses on the analysis of the collected data and research findings.

4.2 explanatory Factor Analyses:

EFA analysis provides researcher with an idea about how many factors are collected under the variables in the dataset and which factors are important. In some cases, many of the factors in the dataset do not contribute significantly to the overall solution or are very difficult to interpret. Factors that are difficult to interpret and do not contribute to the solution often cause confusion or error. (SÜRÜCÜ, et, al, 2022). Therefore, The researcher needs to keep the correct number of factors, as this decision will directly affect the results. To arrive at the right solutions, so use for this purpose the explanatory Factor Analyses

4.3 Kaiser-Meyer-Olkin Measure test

Testing The Suitability of The Data For Factor Analysis To test the suitability of the data for (EFA) we can use Kaiser-Meyer-Olkin Measure test (KMO) , to determine the strength of relationships and evaluate the factorability of variables. (Shrestha, 2021)

The Kaiser-Meyer-Olkin Sampling Adequacy Test is a measure of shared variance in items. Researchers give an idea about whether the KMO value sample size is sufficient for EFA. If the

KMO value, which ranges between 1 and 0, is 0.6 and above, this indicates a sufficient value for factor analysis. (SÜRÜCÜ, et, al, 2022).

Table (4.1) Interpretations guidelines for the Kaiser-Meyer-Olkin Measure test:

KMO value	**Degree of common variance**
0.90 to 1.00	Marvelous
0.80 to 0.89	Meritorious
0.70 to 0.79	Middling
0.60 to 0.69	Mediocre
0.50 to 0.59	Miserable
0.00 to 0.49	Unacceptable (No factor)

4.4 Bartlett's Test of Sphericity

provides information on whether the dataset has pattern relationships, it also give an evidence that the observed correlation matrix is statistically different from a single matrix and confirms the existence of linear combinations, If this requirement is not met, it means that specific and reliable factors cannot be produced.

4.5 The null hypothesis of Bartlett's

Test of Sphericity states that the observed correlation matrix is equal to the unit matrix, which indicates that the observed matrix is not factorable.

From the value of the P_value at table (4.2), we conclude that the observed matrix is factorable, as the P_value is (0.000), and it indicates that the value of the KMO test is (0.809) , and it is suitable to make EFA and reducing the factors, and developing the questionnaire.

Table (4.2) KMO test result:

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.809
Bartlett's Test of Sphericity	Approx. Chi-Square	1545.839
	df	171
	Sig.	.000

4.6 Methods

1- Rotation Method:

Once the number of factors to keep is determined, all other factors are discarded. Items are refactored and forced into a certain number of factors. Unrotated factors are ambiguous and therefore need to be rotated to remove uncertainty and give a better interpretation. This process is called factor rotation. (Roche and Ruscio, 2019)

The main purpose of the rotation is to obtain an optimally simple structure that tries to load each variable on as few factors as possible, but while doing this, maximizes the number of high loads on each variable. The simple structure means that each factor has highly loaded variables and the rest are low-loaded. Obtaining an optimal simple structure indirectly facilitates interpretation and allows each factor to define a separate set of interrelated variables.

2- Extraction and eigen values

Table 4.3, shows the extraction of six factors with eigen values that are greater than 1. The percentages of explaining the variances from the total variance for each factor separately were also reached, and the six factors reveal a percentage of 77.2%, and this is a high percentage. Eigen values are considered for each component due to the variance it can reveal - the greater the value of (eigen values) the greater the variance that is explained or revealed by the factor.

Table (4.3) Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.018	36.936	36.936	7.018	36.936	36.936	3.693	19.438	19.438
2	2.274	11.971	48.906	2.274	11.971	48.906	2.767	14.565	34.003
3	1.633	8.596	57.502	1.633	8.596	57.502	2.582	13.587	47.590
4	1.400	7.370	64.872	1.400	7.370	64.872	2.086	10.981	58.571
5	1.285	6.764	71.636	1.285	6.764	71.636	1.841	9.690	68.261
6	1.057	5.564	77.200	1.057	5.564	77.200	1.698	8.939	77.200
7	.663	3.487	80.687						
8	.558	2.937	83.624						

3- Extracted factors and observed variables

The six extracted factor solution, show that each factor with eigen values above one, which explain 77.2 %. The table also show that only 19 paragraphs (observed variables) of the questionnaire were categorized at 6 factors, which is five factors under arbitration variables, 4 factors under economic and strategic sustainability, three factors under Transparency and disclosure, three factors under independency, two under justice and fairness, and finally two factors under Environmental sustainability. And the other 11 paragraph was fallen, and upon the KMO test value, and the percent of the variance explained we continue at the analyses, and Table (4.4) show that clearly.

Table (A-4.4) Rotated Component Matrix:

	1	2	3	4	5	6
c29	.826					
c30	.815					
c28	.804					
c27	.764					
c25	.735					
b24		.862				
b23		.823				
b25		.751				

Table (B-4.4) Rotated Component Matrix:

b20		.600				
a2			.886			
a1			.852			
a3			.843			
a12				.839		
a11				.785		
a10				.717		
a6					.913	
a5					.864	
b16						.878
b15						.813

4.7 Confirmatory Analyses

Measurement Model:

To confirm the factors, we got at the explanatory factor analyses, we construct the confirmatory factor analyses, to ensure that the supposed latent variables are affected by the observed variables we can use the measurement model as below, and we use at the analyses only the observed variables at the measurement model, so that we can confirm the (EFA) analyses by the indices

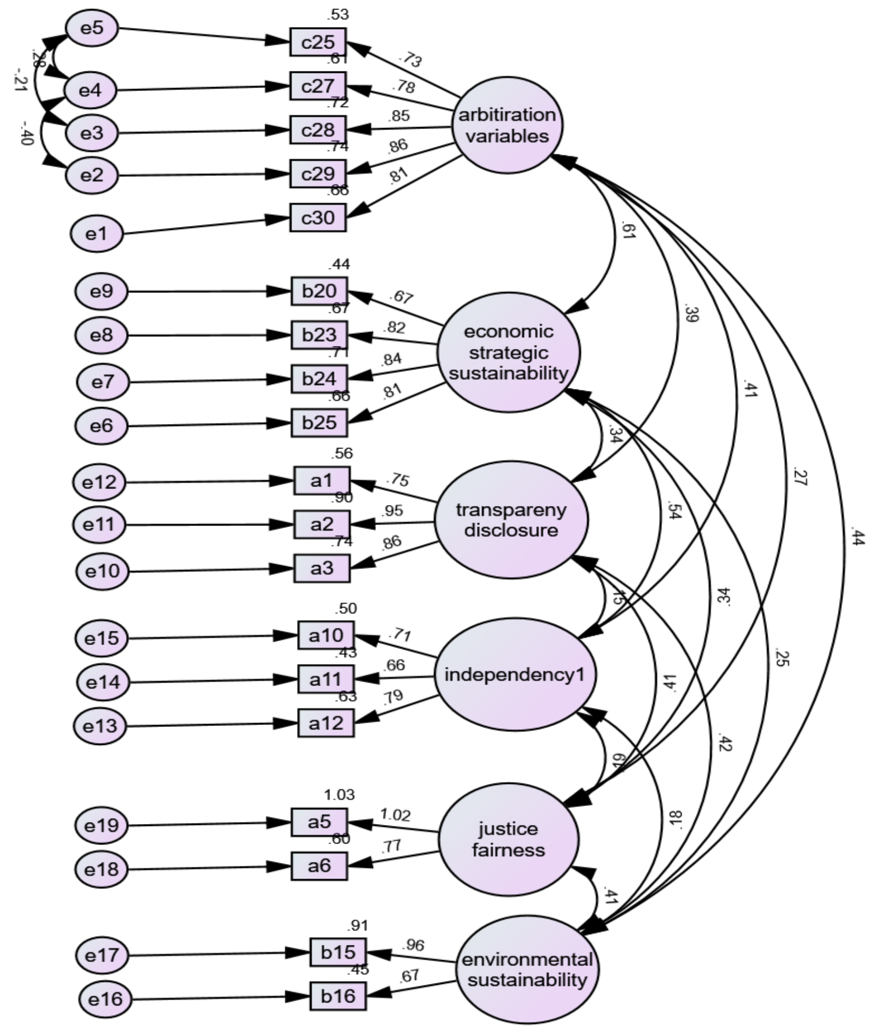

Figure 4.1 Hypothesized six-factor CFA model of self- concept

diagram obtained by ***Amos*** for statistical analyses:

The values of the indices at table 4.4 indicate that the model is good and fit, so the researcher can complete the analyses upon it. And will depend on the relation at the model to continue at the analyses.

The values of the indices as indicated at table (4.5) are fitted and confirms the results of the explanatory analyses, so the $X^2/df = 2$, which is a good value, $NFI = 0.854$ which is not bad value, but suffering, $CFI = 0.929$, which is a good value for the model, $RFI = 0.814$, is a good value for the model, $TLI = 0.909$ is also a good value, and $RSMEA = 0.076$, which is also a good value for the model, which gives the prove of the fitting of the model basing on the explanatory analyses.

Table (4.5) Summary of references values for adjustment indices

Index	*Very good*	*Good*	*Suffering*	*Bad*	Fit of the Adjusted Model	Evaluation
X^2/df	≤ 1	]1,2]	]2,5]	*>5*	*2*	*Good*
NFI	≥ 0.95	[0.9; 0.95[	[0.8; 0.9 [	*<0.8*	*0.854*	*Suffering*
CFI	≥ 0.95	[0.9; 0.95[	[0.8; 0.9 [	*<0.8*	*0.929*	*Good*
RFI	*The better the close to one*				*0.814*	*Good*
TLI	≥ 0.95	[0.9; 0.95[	[0.8; 0.9[	*<0.8*	*0,909*	*Good*
RSMEA	≤ 0.05	[0.05; 0.08[	[0.08; 0.1[	*>1.0*	*0.076*	*good*

Depending on the data obtained and the values of the indices at the table, the model is fit, so we can continue at the analyses depending on the variables obtained.

4.8 The Structural Equation modeling analyses

Structural equation modeling (SEM) is a multivariate quantitative statistical analyses technique used to show the causal relationships between variables, the relations in the SEM represents the hypotheses of the study.

Based on the discussed literature review, the study seeks to test the following Hypothesis:

H_1: arbitration variables act economic and strategic sustainability directly, for small and medium enterprises.

H_2: arbitration variables act environmental sustainability directly, for small and medium enterprises.

H_3: transparency and disclosure act environmental sustainability directly, for small and medium enterprises.

H_4: Independency acts environmental sustainability directly, for small and medium enterprises.

H_5: Justice and fairness act environmental sustainability directly, for small and medium enterprises.

H_6: transparency and disclosure act economic and strategic sustainability directly, for small and medium enterprises.

H_7: Independency acts economic and strategic sustainability directly, for small and medium enterprises.

H_8: Justice and fairness act economic and strategic sustainability directly, for small and medium enterprises.

H_9: transparency and disclosure act significantly arbitration variables, for small and medium enterprises.

H_{10}: Independency acts significantly arbitration variables, for small and medium enterprises.

H_{11}: Justice and fairness act significantly arbitration variables, for small and medium enterprises.

4.9 Results of the path hypothesis tests

Figure 4.2 show the path of the effect relations between the various latent variables and upon it we can put the following hypotheses:

based on the data obtained table 4.6: we see that there are significant statistical effect from the exogenous variable (Transparency disclosure) on the endogenous variable Arbitration variables by (.308), as the (P value of that effect is .003), and we reject the null hypotheses and accept the significancy of the relation between transparency and disclosure and arbitration variables.

we see also that there is significant statistical effect from the exogenous variable (independency) on the endogenous variable Arbitration variables by (.358), as the (P_value of that effect is .000), and we reject the null hypotheses and accept the significancy of the relation between independency and arbitration variables.

we see also that there is no significant statistical effect from the exogenous variable (justice and fairness) on the endogenous variable Arbitration variables by (.062), as the (P_value of that effect is .460), and we can't reject the null hypotheses and conclude that the relation between (justice and fairness) and arbitration variables, is not significant.

we see also that there is significant statistical effect from the exogenous variable (arbitration variables) on the endogenous variable (economic and strategic sustainability) by (.504), as the (P_value of that effect is .000), and we reject the null hypotheses and accept the significancy of the relation between arbitration variables and (economic and strategic sustainability.

we see also that there is significant statistical effect from the exogenous variable (arbitration variables) on the endogenous variable (Environmental sustainability) by (.298), as the (P_value of that effect is .007), and we reject the null hypotheses and accept the significancy of the relation between arbitration variables and (Environmental sustainability.

we see also that there is no significant statistical effect from the exogenous variable (Transparency disclosure) on the endogenous variable (Economic and strategic sustainability) by (.030), as the (P_value of that effect is .745), and we can't reject the null hypotheses and conclude that the relation between (Transparency disclosure) and Economic and strategic sustainability, is not significant.

we see also that there is significant statistical effect from the exogenous variable (independency) on the endogenous variable (Economic and strategic sustainability) by (.224), as the (P_value of that effect is .026), and we reject the null hypotheses and accept the significancy of the relation between independency and (Economic and strategic sustainability).

we see also that there is no significant statistical effect from the exogenous variable (Justice fairness) on the endogenous variable (Economic and strategic sustainability) by (.155), as the (P_value of that effect is .053), and we can't reject the null hypotheses and conclude that the relation between (Justice fairness) and Economic and strategic sustainability, is not significant.

we see also that there is no significant statistical effect from the exogenous variable (independency) on the endogenous variable (Environmental Sustainability) by (-.008), as the (P_value of that effect is .937), and we can't reject the null hypotheses and conclude that the relation between (independency) and Environmental Sustainability, is not significant.

we see also that there is significant statistical effect from the exogenous variable (Transparency disclosure) on the endogenous variable (Environmental Sustainability) by (.207), as the (P_value of that effect is .040), and we reject the null hypotheses and accept the significancy of the relation between (Transparency and disclosure) and (Environmental Sustainability).

we see also that there is significant statistical effect from the exogenous variable (Justice fairness) on the endogenous variable (Environmental Sustainability) by (.257), as the (P_value of that effect is .006), and we reject the null hypotheses and accept the significancy of the relation between (Justice fairness) and (Environmental Sustainability).

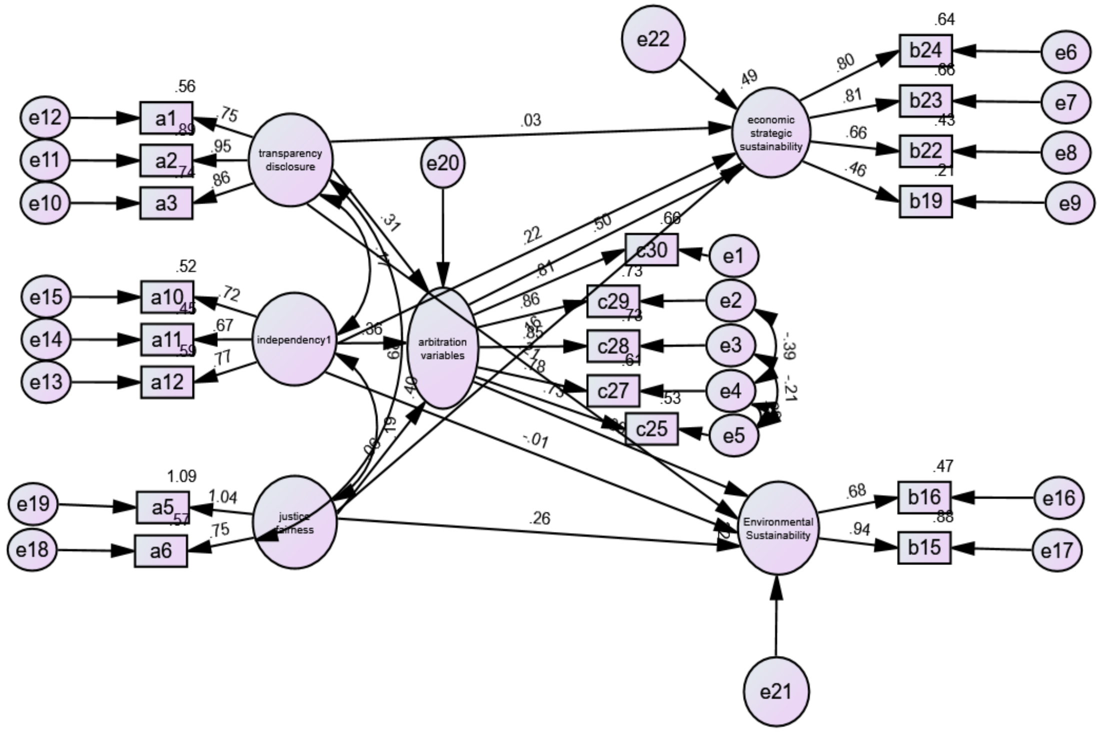

Figure 4.2: path of the effect relations between the various latent variables

Table (A-4.6) standardized regression weights, coefficients of the model parameters:

Independent (exogenous)	Dependent (endogenous)	Estimates	S.E	C.R	P-value	Decision
Transparency disclosure	Arbitration variables	.308	.095	3.295	.003	Sig Reject H_o
independency	Arbitration variables	.358	.095	3.551	.000	Sig Reject H_o
Justice fairness	Arbitration variables	.062	.095	.739	.460	Not sig Accept H_o

Table (B-4.6) standardized regression weights, coefficients of the model parameters:

Arbitration variables	Economic and strategic sustainability	.504	.091	4.764	.000	Sig Reject H_o
Arbitration variables	Environmental Sustainability	.298	.140	2.690	.007	Sig Reject H_o
Transparency disclosure	Economic and strategic sustainability	.030	.080	.325	.745	Not sig Accept H_o
independency	Economic and strategic sustainability	.224	.082	2.219	.026	Sig Reject H_o
Justice fairness	Economic and strategic sustainability	.155	.079	1.934	.053	Not sig Accept H_o
independency	Environmental Sustainability	-.008	.120	-.078	.937	Not sig Accept H_o
Transparency disclosure	Environmental Sustainability	.207	.130	2.052	.040	Sig Reject H_o
Justice fairness	Environmental Sustainability	.257	.134	2.760	.006	Sig Reject H_o

The difference between the rejected and the accepted hypotheses that the effect of the independent variables at the case of the rejected hypothesis (null) is not significant statistically.

4.10 The estimated equations of the Path

The mathematical formula for the variables at the suggested path, which relate the dependent variables with the independent variables, and determine the amount of effect on the dependent variable:

Arbitration variables $=\alpha_{T\&d}$ (transparency and disclosure) + α_I(independency) + $\alpha_{J\ \&\ F}$ (justice and fairness) + $\alpha_1 c_{25} + \alpha_2 C_{27} + \alpha_3 C_{28} + \alpha_4 C_{29} + \alpha_5 C + e_1$

Economic and Strategic Sustainability $=\alpha_{T\&d}$ (transparency and disclosure) +

α_I(independency) + $\alpha_{J\ \&\ F}$ (justice and fairness) + α_{AV} Arbitration

variables+ $\alpha_1 b_{24} + \alpha_2 b_{23} + \alpha_3 b_{22} + \alpha_4 b_{19} + e_2$

Environmental Sustainability $=\alpha_{T\&d}$ (transparency and disclosure) +

α_I(independency) + $\alpha_{J\ \&\ F}$ (justice and fairness) + α_{AV} Arbitration variables+ $\alpha_1\ b_{15} + \alpha_2\ b_{16} + e_3$

Arbitration variables =.308 (transparency and disclosure) + .358 (independency) + 0.062 (justice and fairness) + .729 c_{25} + .781 C_{27} + .852 C_{28} + 857C_{29} + 812 C

Economic and Strategic Sustainability =.030 (transparency and disclosure) +

.224(independency) + .155 (justice and fairness) + .504 Arbitration variables+ .801 b_{24} + .811 b_{23} + .656 b_{22} + 461b_{19}

Environmental Sustainability =.207 (transparency and disclosure) - .008 (independency) + .257 (justice and fairness) + .298 Arbitration variables+ .941 b_{15} + .683 b_{16}

Justice and Fairness = $\alpha_1\ a_5 + \alpha_2\ a_6$

Justice and Fairness = 1.043 a_5 + .754 a_6

Independency = $\alpha_1\ a_{10} + \alpha_2\ a_{11} + \alpha_3\ a_{12}$

Independency = .723 a_5 + .668 a_6 + 769a_{12}

Transparency and disclosure = $\alpha_1\ a_1 + \alpha_2\ a_2 + \alpha_3\ a_3$

Transparency and disclosure = .747 a_1 + .945 a_2 + 861a_3

Where:

α coefficients are the direct effect of the dependent variables on the dependent variable.

A coefficients is the amount of contribution of the independent variables at the dependent variable.

Description of the models:

The previous equation represents the model of the relations at the study, which is the structural model, the connection strength (path coefficient) represents the response of the dependent variable to a unit change in an explanatory variable when other variables in the model are held constant. (Arbuckle, 1999)

4.11 Reliability and validity

Reliability refers to the precision and accuracy of measurement procedure, to ensure from the reliability and validity of the study tool, I computed Alpha cronbach's Coefficient and then the reliability percent, which sufficient at value greater than (0.6).

Table 4.6 show the estimation of the exogenous variables effect on the endogenous variables, and it also show the significancy of that effect, it show that Transparency disclosure affect arbitration variables by (.314) significantly, and independency affect arbitration variables by (.338) significantly, (justice and fairness) affect (arbitration variables) by (.07) but not significantly, and (arbitration variables) affect (Economic and strategic sustainability), by (0.424) significantly and arbitration variables affect (Environmental Sustainability) by (.377) significantly.

Transparency disclosure affect Economic and strategic sustainability, by (0.026) but not significantly, and affect Environmental Sustainability, by (0.267) significantly, justice and fairness affect Economic and strategic sustainability, by (0.153) but not significantly, and affect Environmental Sustainability, by (0.371) significantly, Transparency disclosure affect Economic and strategic sustainability, by (0.026) but not significantly, and affect Environmental Sustainability, by (0.267) significantly, independency affect Economic and strategic sustainability, by (0.182) significantly, and affect Environmental Sustainability, by (0.009) but not significantly.

Table (4.7) Alpha cronbachs's coefficient

field	Alpha cronbachs's coefficient	Reliability percent	N	Items numbers
transparency	.875	87.5	135	3
justice	.879	87.9	135	2
Independency	.759	75.9	135	3
Governance	.774	77.4	135	8
Environmental sustainability	.762	76.2	135	2
Economy and strategy	.860	86	135	3
Business sustainability	.754	75.4	135	6
Organization size and innovation	.897	89.7	135	5

The analyses of the data table 4.7 show that Alpha Cronbach's Coefficient for the first factor transparency is (.875) with reliability percent (87.5%), and for the second factor (justice) was (.879) with reliability percent (87.9), and for the third factor (Independency) was (.759) with reliability percent (75.9%), while for the first field (Governmental) it was (.774) with reliability percent (77.4%), also for the fourth factor sustainability it was (.762), with reliability percent (76.2%), and for the fifth factor (economy and strategy) it was (.86) with reliability percent (86%), and for the second field (Business sustainability) it was (.754) with percent reliability (75.4%), and finally the third field (Organization and innovation) it was (.897) with reliability percent (89.7%). These values for Alpha Cronbach's Coefficient is good and sufficient for the study purposes.

4.12 Data Analyses and Answering the Study question

Developing sustainability for small and medium enterprises through good governance: Evidence from Palestine:

To answer this question, I start at analyzing the data by firstly encoding the questionnaires answers depending on the Likert fifth scale, as in the next table:

Answer	Code
Always	5
Often	4
Sometimes	3
Rarely	2
Never	1

To give the Answer's means a degree I used the Likert fifth scale as in the following table:

Mean Range	Degree
1 – 1.80	Very Little
1.81 – 2.60	Little
2.61 – 3.40	Intermediate
3.41 – 4.20	Large
4.21 - 5	Very Large

Table (4.8) means and standard deviation of the Transparency and disclosure field

Paragraph	Mean	St. deviation	Arrange	Ratio	degree
The company announces the agreements signed with external parties	3.0741	1.24	3	61.4	Intermediate
The organization's employees consider that disclosing transactions with partners plays a role in building trust with the public	3.26	1.02	1	65.2	Intermediate
Organizational culture contributes to promoting an environment that encourages transparency and disclosure in corporate communications	3.20	.97	2	64	Intermediate
Mean	3.18	.97		63.6	intermediate

Table 4.8 shows that the degree of all the means of the Transparency and disclosure field are (intermediate), and closed to each other, but the higher mean was for the paragraph: The organization's employees consider that disclosing transactions with partners plays a role in building trust with the public (3.26) and standard deviation (1.02), and the least mean was for the paragraph: The company announces the agreements signed with external parties (3.07), and standard deviation (1.24), and the overall mean was (3.17), and it’s standard deviation is (.97).

Table (4.9) means and standard deviation of the Justice and fairness field

Paragraph	Mean	St. deviation	Arrange	Ratio	degree
The company has laws that guarantee the rights of stakeholders	4.04	.91	1		Large
The company has fair systems for hiring workers	3.92	.99	2		Large
Mean	3.98	.90			Large

Table 4.9 shows that the two paragraphs have got (Large) degree, so that the higher mean (4.03) was for the paragraph: The company has laws that guarantee the rights of stakeholders, with standard deviation (.91), and the lowest mean was for the paragraph: The company has fair systems for hiring workers, (3.92) and standard deviation (.99), and the overall mean is (3.98) with standard deviation is (.90).

Table (4.10) means and standard deviation of the Independency field

#	Paragraph	Mean	St. deviation	Arrange	%	degree
10-	The company has criteria for selecting specialized committees	3.47	.94	2	69.4	Large
11-	The Board of Directors acts independently in making decisions	3.76	1.07	1	75.2	Large
12-	The company has an executive committee that makes most of its administrative decisions	3.22	1.17	3	64.4	Intermediate
	Mean	3.48	.88		69.6	large

Table 4.10 shows that the degree of all the means of the independency field are large except the paragraph: , and closed to each other, but the higher mean was for the paragraph: The company has an executive committee that makes most of its administrative decisions, with mean of (3.22) and standard deviation of (1.17), and the highest mean (3.76) was for the paragraph: The Board of Directors acts independently in making decisions, with standard deviation (1.07), and the over all mean was (3.48), and it’s standard deviation is (.88).

Table (A-4.11) means and standard deviation of the Governance field

#	Field	Mean	St.deviation	Arrange	%	degree
1-	Transparency and disclosure	3.18	.97	3		Large
2-	Justice and fairness	3.98	.90	1		Large

Table (B-4.11) means and standard deviation of the Governance field

3-	Independency	3.48	.88	2		Large
	Mean (Governance)	3.55	.65			large

Table 4.11 shows that the degree of all the means of the governance' field are large for all the fields, And the higher mean (3.98) was for the Justice and fairness, with standard deviation of (.90), and the lowest mean (3.18) was for the transparency and closure field, with standard deviation (.97). and the mean of the governance is (3.55) with standard deviation (.65).

Table (4.12) means and standard deviation of the Environment Sustainability field

#	Field	Mean	St.deviation	Arrange	%	degree
15	The company always takes measures to reduce water and wastewater consumption	3.385	1.17	2	67.7	intermediate
16	The company takes measures to reduce energy consumption through the solar energy system	3.392	1.57	1	67.8	Intermediate
	Mean (Environment Sustainability)	3.389	1.24		67.8	intermediate

Table 4.12 show closed means for the environmental sustainability which is (3.385) for the paragraph: The company always takes measures to reduce water and wastewater consumption, with standard deviation (1.17), and it was (3.392) for the paragraph: The company takes measures to reduce energy consumption through the solar energy system, and the over all mean (3.389) with standard deviation (1.24).

Table (4.13) means and standard deviation of the economic and strategic sustainability field

#	Field	Mean	St.deviation	Arrange	%	degree
20	Your company's employees are educated about the importance of reducing resource consumption	3.45	.93	3	69	Large
23	Your organization integrates sustainability goals into its long-term strategic planning	3.44	.93	4	68.8	Large
24	Your organization takes economic sustainability into account in shaping its overall strategic direction	3.53	.91	1	70.6	Large
25	Your organization is adapting its strategies to address sustainability challenges and opportunities in today's business environment	3.53	.93	2	70.6	Large
	Mean (economic and strategic sustainability)	3.49	.78		69.8	large

Table 4.13 show that the degree of all the means of the economic and strategic sustainability's field are large for all the paragraphs, And the higher mean (3.533) was for the paragraph: Your organization takes economic sustainability into account in shaping its overall strategic direction, with standard deviation (.91), and the lowest mean (3.44) was for the paragraph: Your organization integrates sustainability goals into its long-term strategic planning, with standard deviation (.93), and the over all mean is (3.49) with standard deviation (.78).

Table (4.14) means and standard deviation of the sustainability field

#	Field	Mean	St.deviation	Arrange	%	degree
1-	Environmental sustainability	3.3889	1.24239			intermediate
3-	Economic and strategic sustainability	3.4870	.77587			Large
	Mean (sustainability)	3.4380	.80705			large

Table 4.14 show that the degree of the means of the sustainability's field are large for the Environmental sustainability was (3.38) with standard deviation (1.24), with intermediate evaluation, and the mean for Economic and strategic sustainability was (3.49) with standard evaluation (.77) and large evaluation, and the sustainability mean is (3.43), with standard evaluation is (0.81).

Table (A-4.15) means and standard deviation of the Arbitration variables field

#	Field	Mean	St.deviation	Arrange	%	degree
26	The size of your organization affects its ability to implement and maintain governance practices	3.60	.90768	4	72	Large

Table (B-4.15) means and standard deviation of the Arbitration variables field

28	The size of your organization affects its capacity for decision-making processes related to sustainability initiatives	3.50	1.10544	1	70	Large
29	Provide your organization's innovation capacity to create unique and sustainable products or services in the market	3.50	.99906	2	70	Large
30	Your organization's innovation capacity affects its competitive advantage in terms of sustainability practices	3.59	1.07409	3	71.8	Large
31	Your organization encourages and invests in innovative practices, such as adopting new technologies, and promoting a culture of continuous improvement in production	3.70	1.04577	5	74	Large
	Mean (Arbitration variables)	3.58	.86630		71.6	large

Table 4.15 show that the degree of all the means of the Arbitration variables' field are large for all the paragraphs, And the higher mean (3.70) was for the paragraph: Your organization encourages and invests in innovative practices, such as adopting new technologies, and promoting a culture of continuous improvement in production, with standard deviation (1.06), and the lowest mean (3.50) was for the paragraph: Provide your organization's innovation capacity to create unique and

sustainable products or services in the market, with standard deviation (.99), and the over all mean is (3.58) with standard deviation (.87).

4.13 Study Hypotheses

First hypothesis: there is no statistical differences at the at significant level (α ≤ .05) at the Developing sustainability for small and medium enterprises through governance, (determined by governance, sustainability and arbitration variables), returns to Gender.

To test this hypothesis I used independent sample t_test, at significant level (α ≤ .05), as in table 4.16.

Table (4.16) independent sample t_test results:

Dependent variable	gender	N	Mean	Std. Deviation	t-value	Degrees of Freedom	P-Value
Transparency and disclosure	male	106	3.1352	1.00029	-1.082	52.116	.284
	Female	29	3.3333	.83571			
Justice and fairness	male	106	4.0283	.87513	1.256	133	.211
	Female	29	3.7931	.95914			
Independency	male	106	3.5314	.88942	1.271	133	.206
	Female	29	3.2989	.80841			
Governance	male	106	3.5650	.64768	.662	133	.509
	Female	29	3.4751	.64917			
Environmental sustainability	male	106	3.3208	1.30418	-1.448	59.199	.153
	Female	29	3.6379	.96267			
economic and strategic sustainability	male	106	3.4953	.78754	.235	133	.814
	Female	29	3.4569	.74423			
Sustainability	male	106	3.4080	.84380	-.823	133	.412
	Female	29	3.5474	.65671			
Arbitration variables	male	106	3.6226	.90683	1.190	133	.236
	Female	29	3.4069	.68553			

The data at table 4.16 indicates that there is no statistical significant differences, at significant level ($\alpha \leq .05$) at the Developing sustainability for small and medium enterprises through governance, (determined by governance, sustainability and arbitration variables), returns to Gender.

The data show the Transparency and disclosure's mean is (3.14) for males, and (3.33) for Females, and the P_value is (.284). and the Justice and fairness' mean is (4.02) for males, and is (3.79) for females, and the P_value is (.211). and the dependency's mean for males is (3.53) and (3.30) for females, and the P_value is (.206). And the governance mean for the males is (3.57) and for females is (3.48), and the P_vales is (.509). And the environmental' mean for males is 3.32) and for females is (3.64), and the P_value is (.153). And the economic and strategic' mean is (3.50) for males, and is (3.46) for females, and the P_value is (.814). and the sustainability's mean is (3.41) for males, and (3.55) for females, and the P_value (.412). And the arbitration variables' mean is (3.62) for males and (3.41) for females, and the P_value is (.236). But as these probability values are greater than (0.05) so these differences are not significant statistically.

second hypothesis: there is no statistical differences at the at significant level ($\alpha \leq .05$) at the Developing sustainability for small and medium enterprises through governance, (determined by governance, sustainability and arbitration variables), returns to job center.

To test this hypothesis I used One Way Analyses (ANOVA) test, at significant level ($\alpha \leq .05$), as in table 4.17

Table (A-4.17) One Way Analyses (ANOVA) test results

Dependent variable	Category	N	Mean	Std. Deviation	F	Sig.
Transparency and disclosure	owner and manager	24	3.5972	1.11199	2.354	.075
	only owner	32	2.9271	.78395		
	only manager	70	3.1667	.93724		
	other	9	3.0370	1.17195		
Justice and fairness	owner and manager	24	4.5000	.70711	4.663	.004
	only owner	32	3.8438	.85607		
	only manager	70	3.9357	.87195		
	other	9	3.3889	1.13957		
Independency	owner and manager	24	3.7500	.82386	2.449	.066
	only owner	32	3.2396	1.16470		
	only manager	70	3.5524	.67360		
	other	9	3.0741	1.01074		
Governance	owner and manager	24	3.9491	.54554	5.827	.001
	only owner	32	3.3368	.56778		
	only manager	70	3.5516	.59560		
	other	9	3.1667	1.00730		
Environmental sustainability	owner and manager	24	3.9583	1.06237	2.203	.091
	only owner	32	3.1719	1.28018		
	only manager	70	3.2929	1.28111		
	other	9	3.3889	.92796		
economic and strategic sustainability	owner and manager	24	3.8646	.60783	3.744	.013
	only owner	32	3.2891	.76493		
	only manager	70	3.5036	.79342		
	other	9	3.0556	.72648		

Table (B-4.17) One Way Analyses (ANOVA) test results

Sustainability	owner and manager	24	3.9115	.62931	3.979	.009
	only owner	32	3.2305	.75809		
	only manager	70	3.3982	.83685		
	other	9	3.2222	.76999		
arbitration variables	owner and manager	24	3.9833	.66963	3.161	.027
	only owner	32	3.3813	.94132		
	only manager	70	3.5800	.86151		
	other	9	3.1556	.77316		

The data at table 4.17 indicates that there is no statistical significant differences, at significant level ($\alpha \leq .05$) at (Transparency and disclosure, Independency and Environmental sustainability) as the probability values for these fields are more than (0.05), but it show that there are significant statistical differences at the fields (Justice and fairness, Governance, economic and strategic sustainability, Sustainability and arbitration variables)

as the probability values for these fields are less than (0.05). and upon these result we can use LSD test to determine the magnitude and direction of the significant differences as in table 4.18

Table (A-4.18) Multiple Comparison as a result of LSD test:

Dependent Variable	(I) center	(J) center	Mean Difference (I-J)	Sig.
Justice and fairness	owner and manager	only owner	.65625*	.005
		only manager	.56429*	.006
		other	1.11111*	.001
Governance	owner and manager	only owner	.61227*	.000
		only manager	.39749*	.007
		other	.78241*	.001
economic and strategic sustainability	owner and manager	only owner	.57552*	.005

Table (B-4.18) Multiple Comparison as a result of LSD test:

		only manager	.36101*	.045
		other	.80903*	.007
Sustainability	owner and manager	only owner	.68099*	.002
		only manager	.51324*	.006
		other	.68924*	.026
arbitration variables	owner and manager	only owner	.60208*	.009
		only manager	.40333*	.046
		other	.82778*	.014

Table 4.18 show the magnitudes and the directions of the differences between the various categories, it show that the justice and fairness differ between the (owner and manager) and (only owner) by 0.66 degree, and differ about (only manager) by 0.56 degree, and differ by (1.1) about (others), and all these differences were for (owner and manager). it show also that the governance differ between the (owner and manager) and (only owner) by 0.61 degree, and differ about (only manager) by 0.40 degree, and differ by (.70) about (others), and all these differences were for (owner and manager).

the economic and strategic sustainability differ between the (owner and manager) and (only owner) by 0.58 degree, and differ about (only manager) by 0.36 degree, and differ by (.81) about (others), and all these differences were for (owner and manager).

the Sustainability differ between the (owner and manager) and (only owner) by 0.68 degree, and differ about (only manager) by 0.51 degree, and differ by (.69) about (others), and all these differences were for (owner and manager).

the arbitration variables differ between the (owner and manager) and (only owner) by 0.60 degree, and differ about (only manager) by 0.40 degree, and differ by (.83) about (others), and all these differences were for (owner and manager).

Third hypothesis

there is no statistical differences at the at significant level (α ≤ .05) at the Developing sustainability for small and medium enterprises through governance, (determined by governance, sustainability and arbitration variables), returns to Age.

To test this hypothesis I used One Way Analyses (ANOVA) test, at significant level (α ≤ .05), as in table 4.19

Table (A-4.19) One Way Analyses (ANOVA) test results

Dependent variable	Category	N	Mean	Std. Deviation	F	Sig.
Transparency and disclosure	less than 30	27	3.2346	.95548	1.723	.149
	from 30 to 40 year	54	2.9938	.94612		
	from 41 to 50 year	26	3.1795	1.05084		
	from 51 to 60 year	16	3.2500	.74536		
	more than 60 year	12	3.7778	1.04768		
Justice and fairness	less than 30	27	3.7593	1.00355	1.247	.294
	from 30 to 40 year	54	3.9259	.86552		
	from 41 to 50 year	26	4.1731	.88252		
	from 51 to 60 year	16	3.9375	.96393		
	more than 60 year	12	4.3333	.61546		
Independency	less than 30	27	3.1852	1.00142	3.323	.013
	from 30 to 40 year	54	3.3642	.80686		
	from 41 to 50 year	26	3.5769	.75164		
	from 51 to 60 year	16	3.7292	.96008		
	more than 60 year	12	4.1389	.64288		
Governance	less than 30	27	3.3930	.79974	3.348	.012
	from 30 to 40 year	54	3.4280	.57408		
	from 41 to 50 year	26	3.6432	.58840		
	from 51 to 60 year	16	3.6389	.58161		
	more than 60 year	12	4.0833	.51981		
Environmental sustainability	less than 30	27	3.2593	1.21188	1.686	.157
	from 30 to 40 year	54	3.2315	1.21202		
	from 41 to 50 year	26	3.5000	1.33417		
	from 51 to 60 year	16	3.3438	1.35054		

Table (B-4.19) One Way Analyses (ANOVA) test results

economic and strategic sustainability	more than 60 year	12	4.2083	.89082	4.940	.001
	less than 30	27	3.1759	.85994		
	from 30 to 40 year	54	3.3426	.67345		
	from 41 to 50 year	26	3.5865	.76793		
	from 51 to 60 year	16	4.0000	.83666		
Sustainability	more than 60 year	12	3.9375	.37119	3.526	.009
	less than 30	27	3.2176	.73183		
	from 30 to 40 year	54	3.2870	.78482		
	from 41 to 50 year	26	3.5433	.89578		
	from 51 to 60 year	16	3.6719	.77845		
arbitration variables	more than 60 year	12	4.0729	.52348	4.830	.001
	less than 30	27	3.0889	.98032		
	from 30 to 40 year	54	3.5370	.83673		
	from 41 to 50 year	26	3.7308	.77757		
	from 51 to 60 year	16	3.7875	.72099		

The data at table 4.19 indicates that there is no statistical significant differences, at significant level ($\alpha \leq .05$) at (Transparency and disclosure, justice and fairness, and Environmental sustainability) as the probability values for these fields are more than (0.05), but it show that there are significant statistical differences at the fields (independency, Governance, economic and strategic sustainability, Sustainability, and arbitration variables), as the probability values for these fields are less than (0.05). and upon these result we can use LSD test to determine the magnitude and direction of the significant differences as in table 4.20

Table (A-4.20) Multiple Comparison based on age as a result of LSD test

Dependent Variable	(I) Age	(J) Age	Mean Difference (I-J)	Sig.
Independency	less than 30	from 51 to 60 year	-.54398*	.044
	more than 60 year	less than 30	.95370*	.001
		from 30 to 40 year	.77469*	.005
Governance	more than 60 year	less than 30	.69033*	.002
		from 30 to 40 year	.65535*	.001
		from 41 to 50 year	.44017*	.046
economic and strategic sustainability	less than 30	from 41 to 50 year	-.41061*	.044
		from 51 to 60 year	-.82407*	.001
		more than 60 year	-.76157*	.003
	from 30 to 40 year	from 51 to 60 year	-.65741*	.002
		more than 60 year	-.59491*	.012
Sustainability	more than 60 year	less than 30	.85532*	.002
		from 30 to 40 year	.78588*	.002
arbitration variables	less than 30	from 30 to 40 year	-.44815*	.022
		from 41 to 50 year	-.64188*	.005
		from 51 to 60 year	-.69861*	.008
		more than 60 year	-1.14444*	.000

Table (B-4.20) Multiple Comparison based on age as a result of LSD test

	from 30 to 40 year	less than 30	.44815*	.022
		more than 60 year	-.69630*	.009

Table 4.20 show the magnitudes and the directions of the differences between the various categories based on age, it show that the (independency) differ between those aged (less than 30 years) and those aged (51 – 60 years) by 0.54 degree, for category (51 – 60 years), and differ between those aged (less than 30 years) and those aged (more than 60 years) by (0.95) degree for age category (more than 60 years), and differ between those aged (31 - 40 years) and those aged (more than 60 years) by (0.77) degree for age category (more than 60 years).

it show also that the governance differ between those aged (more than 60 years) and those aged (less than 30 years) by 0.69 degree, and differ between those aged (more than 60 years) and those aged (30 – 40 years) by (0.65) degree , and differ between those aged (more than 60 years) and those aged (41 – 50 years) by (0.44) degree, and all these differences for the category aged (more than 60 years).

it show also that the (economic and strategic sustainability) differ between those aged (more than 60 years) and those aged (less than 30 years) by 0.76 degree, and differ between those aged (more than 60 years) and those aged (30 – 40 years) by (0.59) degree for the category (more than 60 years).

and differ between those aged (less than 30 years) and those aged (41 – 50 years) by (0.41) degree , for the category (41 – 50 years), and differ between those aged (less than 30 years) and those aged (51 – 60 years) by (0.82) degree , for the category (51 - 60 years), and differ between those aged (less than 30 years) and those aged (51 – 60 years) by (0.66) degree, for the age group (51 – 60 years).

it show also that the (Sustainability) differ between those aged (more than 60 years) and those aged (less than 30 years) by 0.86 degree, and differ between those aged (more than 60 years) and those aged (30 – 40 years) by (0.79) degree , and all these differences for the category aged (more than 60 years).

it show also that the (arbitration variables) differ between those aged (more than 60 years) and those aged (less than 30 years) by (1.44) degree, and differ between those aged (more than 60 years) and those aged (30 – 40 years) by (0.70) degree for the category (more than 60 years).

and differ between those aged (less than 30 years) and those aged (30 – 40 years) by (0.45) degree, for the age group (30 – 40 year), and differ between those aged (less than 30 years) and those aged (41 – 50 years) by (0.64) degree , for the category (41 – 50 years), and differ between those aged (less than 30 years) and those aged (51 – 60 years) by (0.70) degree , for the category (51 - 60 years), , for the age group (51 – 60 years).

Fourth hypothesis: there is no statistical differences at the at significant level (α ≤ .05) at the Developing sustainability for small and medium enterprises through governance, (determined by governance, sustainability and arbitration variables), returns to Level of education.

To test this hypothesis I used One Way Analyses (ANOVA) test, at significant level (α ≤ .05), as in table 4.21

Table (A-4.21) One Way Analyses (ANOVA) test results

Dependent variable		Category of (Education)	N	Mean	Std. Deviation	F	Sig.
Transparency and disclosure		Diploma	32	2.7500	1.05069	9.234	.000
		BA	71	3.1268	.83451		
		MA	32	3.7188	.93559		

Table (B-4.21) One Way Analyses (ANOVA) test results

Justice and fairness		Diploma	32	3.6250	.89803	3.688	.028
		BA	71	4.0423	.86910		
		MA	32	4.1875	.87759		
Independency		Diploma	32	3.2188	1.02516	1.946	.147
		BA	71	3.5493	.79502		
		MA	32	3.5937	.85816		
Governance		Diploma	32	3.1979	.66126	8.767	.000
		BA	71	3.5728	.55576		
		MA	32	3.8333	.67880		
Environmental sustainability		Diploma	32	2.9688	1.31332	6.612	.002
		BA	71	3.2958	1.13571		
		MA	32	4.0156	1.19464		
economic and strategic sustainability		Diploma	32	3.4375	.79818	.906	.407
		BA	71	3.4366	.73158		
		MA	32	3.6484	.84924		
Sustainability		Diploma	32	3.2031	.94653	5.844	.004
		BA	71	3.3662	.72559		
		MA	32	3.8320	.70825		
arbitration variables		Diploma	32	3.4750	.98603	2.665	.073
		BA	71	3.4845	.84289		
		MA	32	3.8813	.73592		

The data at table 4.21 indicates that there is no statistical significant differences, at significant level ($\alpha \leq .05$) at (Independency, economic and strategic sustainability, arbitration variables) as the probability values for these fields are more than (0.05), but it show that there are significant statistical differences at the fields (Transparency and disclosure, Justice and fairness, Governance, Environmental sustainability, and Sustainability) as the probability values for these fields are less than (0.05). and upon these result we can use LSD test to determine the magnitude and direction of the significant differences as in table 4.22

Table (4.22) Multiple Comparison based on level of education as a result of LSD test

Dependent Variable	(I) education	(J) education	Mean Difference (I-J)	Sig.
Transparency and disclosure	MA	Diploma	.96875*	.000
		BA	.59199*	.003
Justice and fairness	Diploma	BA	-.41725*	.027
		MA	-.56250*	.012
Governance	Diploma	BA	-.37485*	.005
	MA	Diploma	.63542*	.000
		BA	.26056*	.048
Environmental sustainability	MA	Diploma	1.04688*	.001
		BA	.71985*	.005
Sustainability	MA	Diploma	.62891*	.002
		BA	.46583*	.006

Table 4.22 show the magnitudes and the directions of the differences between the various categories based on educational level, it show that the (Transparency and disclosure) differ between those having (MA) and those having (Diploma) by (.97) degree, and differ between those having (MA) and (BA) by (.59) degree, for those having (MA). it show that the (Justice and fairness) differ between those having (MA) and those having (Diploma) by (.56) degree for those having MA, and differ between those having (BA) and (Diploma) by (.41) degree for those having (BA). it show that the (Governance) differ between those having (MA) and those having (Diploma) by (.64) degree, and differ between those having (MA) and (BA) by (.26) degree, for those having (MA), and between those having (BA) and diploma by (.37) for those having (BA). it show that the (Environmental sustainability) differ between those having (MA) and those having (Diploma) by (1.05) degree, and differ between those having (MA) and (BA) by (.72) degree, for those having (MA). it show that the (Sustainability) differ between those having (MA) and those having

(Diploma) by (.63) degree, and differ between those having (MA) and (BA) by (.47) degree, for those having (MA).

Fifth hypothesis: there is no statistical differences at the at significant level ($\alpha \leq .05$) at the Developing sustainability for small and medium enterprises through governance, (determined by governance, sustainability and arbitration variables), returns to experience.

To test this hypothesis I used One Way Analyses (ANOVA) test, at significant level ($\alpha \leq .05$), as in table 4.23

Table (A-4.23) One Way Analyses (ANOVA) test results

Dependent variable	Category of (Education)	N	Mean	Std. Deviation	F	Sig.
Transparency and disclosure	less than 6 years	43	2.8992	.99612	3.424	.036
	from 6 to 9 years	48	3.1944	.81020		
	more than 9 years	44	3.4318	1.04320		
Justice and fairness	less than 6 years	43	3.6628	.93682	6.616	.002
	from 6 to 9 years	48	3.9375	.85443		
	more than 9 years	44	4.3295	.78461		
Independency	less than 6 years	43	3.3488	1.01302	6.016	.003
	from 6 to 9 years	48	3.2708	.78898		
	more than 9 years	44	3.8409	.70980		
Governance	less than 6 years	43	3.3036	.72955	9.992	.000
	from 6 to 9 years	48	3.4676	.51722		
	more than 9 years	44	3.8674	.56519		
Environmental sustainability	less than 6 years	43	2.9070	1.19650	7.852	.001
	from 6 to 9 years	48	3.3438	1.24694		
	more than 9 years	44	3.9091	1.09583		
economic and strategic sustainability	less than 6 years	43	3.3198	.77214	8.878	.000
	from 6 to 9 years	48	3.2865	.77527		
	more than 9 years	44	3.8693	.64359		

Table (B-4.23) One Way Analyses (ANOVA) test results

Sustainability	less than 6 years	43	3.1134	.68564	12.840	.000
	from 6 to 9 years	48	3.3151	.84464		
	more than 9 years	44	3.8892	.67837		
arbitration variables	less than 6 years	43	3.2047	.94465	13.437	.000
	from 6 to 9 years	48	3.4625	.76537		
	more than 9 years	44	4.0636	.65666		

The data at table 4.23 indicates that there is a statistical significant differences, at significant level ($\alpha \leq .05$) that there are significant statistical differences at the fields (Transparency and disclosure, Justice and fairness, independency, Governance, Environmental sustainability, economic and strategic sustainability, Sustainability, and arbitration variables) as the probability values for these fields are less than (0.05). and upon these result we can use LSD test to determine the magnitude and direction of the significant differences as in table 4.24

Table (A-4.24) Multiple Comparison based on experience as a result of LSD test

Dependent Variable	(I) experience	(J) experience	Mean Difference (I-J)	Sig.
Transparency and disclosure	more than 9 years	less than 6 years	.53259*	.010
Justice and fairness	more than 9 years	less than 6 years	.66675*	.000
		from 6 to 9 years	.39205*	.031
Independency	more than 9 years	less than 6 years	.49207*	.007
		from 6 to 9 years	.57008*	.002
Governance	more than 9 years	less than 6 years	.56381*	.000
		from 6 to 9 years	.39983*	.002
Environmental sustainability	more than 9 years	less than 6 years	1.00211*	.000
		from 6 to 9 years	.56534*	.024
economic and strategic sustainability	more than 9 years	less than 6 years	.54955*	.001
		from 6 to 9 years	.58286*	.000
Sustainability	more than 9 years	less than 6 years	.77583*	.000
		from 6 to 9 years	.57410*	.000

Table (B-4.24) Multiple Comparison based on experience as a result of LSD test

arbitration variables	more than 9 years	less than 6 years	.85899*	.000
		from 6 to 9 years	.60114*	.000

Table 4.24 show the magnitudes and the directions of the differences between the various categories based on experience, it show that the (Transparency and disclosure) differ between those having experience (more than 9 years) and those having experience (less than 6 years) by (.53) degree, for (more than 9 years) experience. it show that the (Justice and fairness) differ between those having experience (more than 9 years) and those having experience (less than 6 years) by (.67) degree, and between (more than 9 years) and (6 – 9 years) by (.39), for (more than 9 years). it show that the (Independency) differ between those having experience (more than 9 years) and those having experience (less than 6 years) by (.49) degree, and between (more than 9 years) and (6 – 9 years) by (.57), for (more than 9 years). it show that the (Governance) differ between those having experience (more than 9 years) and those having experience (less than 6 years) by (.56) degree, and between (more than 9 years) and (6 – 9 years) by (.40), for experience (more than 9 years). it show that the (Environmental sustainability) differ between those having experience (more than 9 years) and those having experience (less than 6 years) by (1.00) degree, and between (more than 9 years) and (6 – 9 years) by (.57), for experience (more than 9 years). it show that the (economic and strategic sustainability) differ between those having experience (more than 9 years) and those having experience (less than 6 years) by (0.55) degree, and between (more than 9 years) and (6 – 9 years) by (.58), for experience (more than 9 years). it show that the (Sustainability) differ between those having experience (more than 9 years) and those having experience (less than 6 years) by (0.78) degree, and between (more than 9 years) and (6 – 9 years) by (.57), for experience (more than 9 years). it show that the (arbitration variables) differ between those having experience (more than 9 years) and those having experience (less than 6 years) by (0.86) degree, and between (more than 9 years) and (6 – 9 years) by (.60), for experience (more than 9 years).

sixth hypothesis: there is no statistical differences at the at significant level ($\alpha \leq .05$) at the Developing sustainability for small and medium enterprises through governance, (determined by governance, sustainability and arbitration variables), returns to member ship.

To test this hypothesis I used One Way Analyses (ANOVA) test, at significant level ($\alpha \leq .05$), as in table 4.25

Table (A-4.25) One Way Analyses (ANOVA) test results

Dependent variable	Category of (member ship)	N	Mean	Std. Deviation	F	Sig.
Transparency and disclosure	Member of a trade association	27	3.6543	.83452	10.841	.000
	Member of a sustainability organization	15	3.7556	.73966		
	Not a member of any professional organization	82	2.8333	.87528		
	Member of a government-related organization	11	3.7879	1.12815		
Justice and fairness	Member of a trade association	27	4.0000	.89872	1.290	.281
	Member of a sustainability organization	15	4.2333	.70373		
	Not a member of any professional organization	82	3.8780	.91813		
	Member of a government-related organization	11	4.3182	.90202		
Independency	Member of a trade association	27	3.6296	.97985	.548	.650
	Member of a sustainability organization	15	3.3556	.58373		
	Not a member of any professional organization	82	3.4350	.92026		
	Member of a government-related organization	11	3.6364	.54680		

Table (B-4.25) One Way Analyses (ANOVA) test results

Governance	Member of a trade association	27	3.7613	.69094	5.020	.003
	Member of a sustainability organization	15	3.7815	.51497		
	Not a member of any professional organization	82	3.3821	.60842		
	Member of a government-related organization	11	3.9141	.64376		
Environmental sustainability	Member of a trade association	27	3.5741	1.26113	3.460	.018
	Member of a sustainability organization	15	3.9333	.88372		
	Not a member of any professional organization	82	3.1402	1.24294		
	Member of a government-related organization	11	4.0455	1.19278		
economic and strategic sustainability	Member of a trade association	27	3.6296	.88625	.827	.481
	Member of a sustainability organization	15	3.3833	.69991		
	Not a member of any professional organization	82	3.4299	.78888		
	Member of a government-related organization	11	3.7045	.38435		
Sustainability	Member of a trade association	27	3.6019	.86882	2.921	.037
	Member of a sustainability organization	15	3.6583	.72652		
	Not a member of any professional organization	82	3.2851	.78402		
	Member of a government-related organization	11	3.8750	.70711		
arbitration variables	Member of a trade association	27	3.5259	1.06142	.207	.891
	Member of a sustainability organization	15	3.6667	.80593		
	Not a member of any professional organization	82	3.5561	.84270		
	Member of a government-related organization	11	3.7273	.64667		

The data at table 4.25 indicates that there is no statistical significant differences, at significant level ($\alpha \leq .05$) at (Justice and fairness, independency, economic and strategic sustainability, and arbitration variables) as the probability values for these fields are more than (0.05), but it show that there are significant statistical differences at the fields (Transparency and disclosure, Governance, Environmental sustainability, and Sustainability) as the probability values for these fields are less than (0.05). and upon these result we can use LSD test to determine the magnitude and direction of the significant differences based on membership as in table 4.26:

Table 4.26 Multiple Comparison between the membership categories as a result of LSD test

Dependent Variable	(I) member	(J) member	Mean Difference (I-J)	Sig.
Transparency and disclosure	Not a member of any professional organization	Member of a trade association	-.82099*	.000
		Member of a sustainability organization	-.92222*	.000
		Member of a government-related organization	-.95455*	.001
Governance	Not a member of any professional organization	Member of a trade association	-.37920*	.007
		Member of a sustainability organization	-.39937*	.023
		Member of a government-related organization	-.53203*	.008
Environmental sustainability	Not a member of any professional organization	Member of a government-related organization	-.90521*	.021
		Member of a sustainability organization	-.79309*	.021
Sustainability	Not a member of any professional organization	Member of a government-related organization	-.58994*	.022

Table 4.26 show the magnitudes and the directions of the differences between the various categories of (member ship), it show that the (Transparency and disclosure) differ between those

(Not a member of any professional organization) and those (Member of a trade association) by 0.82 degree, and between (Not a member of any professional organization) about (Member of a sustainability organization) by 0.92 degree, and between (Not a member of any professional organization) about (Member of a government-related organization) by 0.95 degree, and these differences for the other categories when compared to the category (Not a member of any professional organization).

it show that the (governance) differ between those (Not a member of any professional organization) and those (Member of a trade association) by 0.38 degree, and between (Not a member of any professional organization) and (Member of a sustainability organization) by 0.40 degree, and between (Not a member of any professional organization) and (Member of a government-related organization) by 0.53 degree, and these differences for the other categories when compared to the category (Not a member of any professional organization).

it show that the (Environmental sustainability) differ between those (Not a member of any professional organization) and (Member of a sustainability organization) by 0.79 degree, and between (Not a member of any professional organization) and (Member of a government-related organization) by 0.91 degree, and these differences for the other categories when compared to the category (Not a member of any professional organization).

it show that the (Environmental sustainability) differ between those (Not a member of any professional organization) and (Member of a government-related organization) by 0.59 degree, and these differences for the other categories when compared to the category (Not a member of any professional organization).

4.14 Regression Analyses

To test the effect or the role of governance at the sustainability, a linear regression analyses was used, to get the following models:

Model 1

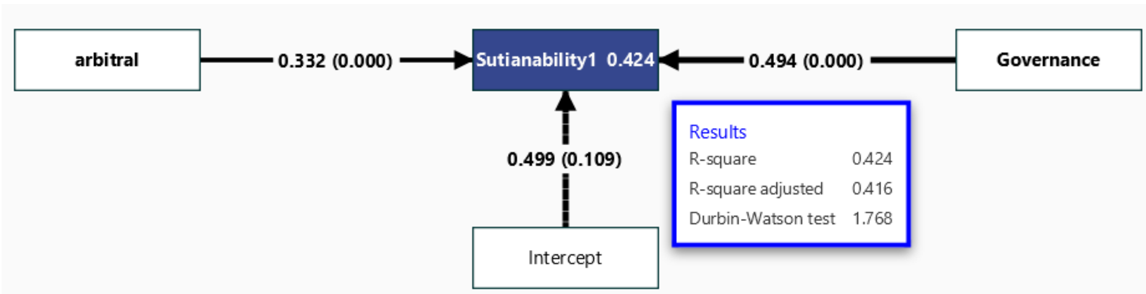

Figure 4.3: Diagram of the regression analyses for model 1

obtained by *Smartpls4* for statistical analyses.

Table (4.27) Anova test results for the significance of the model 1

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	37.299	3	12.433	32.589	.000[b]
	Residual	49.978	131	.382		
	Total	87.277	134			

The data at the table 4.27, indicates that the relation is statistically significant as the model show.

Table (4.28) show the coefficients of the statistical relation model between the dependent and independent variables

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.499	.309		1.614	.109
	Governance	.494	.095	.396	5.192	.000
	arbitration variables	.332	.071	.357	4.684	.000

Sustainability = 0.499 + 0.494 (Governance) + 0.332 (arbitration variables)

It appear that the sustainability start from (0.499) degree, and increase by applying sustainability and increase by (0.494), for every increase by one degree at the governance, while it increase by (0.332) degree for every increase by one degree at the (arbitration variables).

This model indicates by R_ square that these variables explain about (42.4%) of the sustainability variations.

Model 2

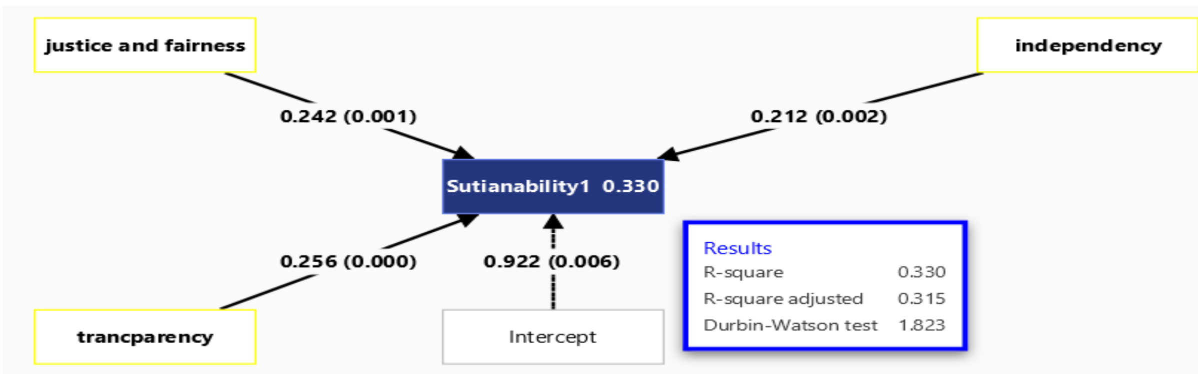

Figure 4.4 Diagram of the regression analyses for model 2

obtained by *Smartpls4* for statistical analyses.

Table (4.29) Anova test results for the significance of the model 2

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28.793	3	9.598	21.498	.000[b]
	Residual	58.485	131	.446		
	Total	87.277	134			

The data at the table 4.29 indicates that the relation is statistically significant as the model show.

Table (4.30) show the coefficients of the statistical relation model2 between the dependent and independent variables

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
2	(Constant)	.922	.328		2.809	.006
	Transparency and disclosure	.256	.064	.308	4.015	.000
	Justice and fairness	.242	.070	.269	3.473	.001
	Independency	.212	.068	.229	3.103	.002

Sustainability = 0..922 + 0.256 (Transparency and disclosure) + 0.242 (Justice and fairness)+ 0.212 (independency)

It appear that the sustainability start from (0.922) degree, and increase by applying (Transparency and disclosure) by (0.256), for every increase by one degree at the (Transparency and disclosure), while it increase by (0.242) degree for every increase by one degree at the (Justice and fairness). And it increase by (0.212) degree for every increase by one degree at the (Independency). And as it appear at the diagram that these variables explain about 33% of the dependent variable.

Model 3

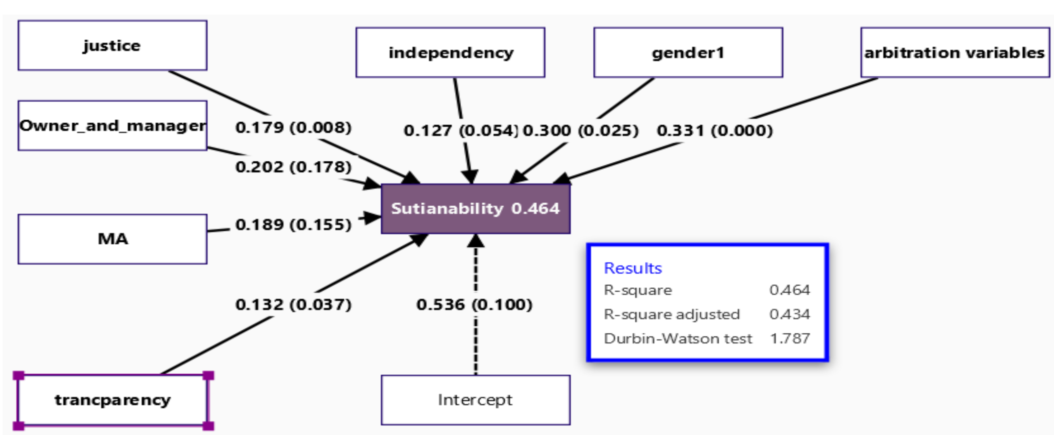

Figure 4.5 Diagram of the regression analyses for model 3

obtained by *Smartpls4* for statistical analyses.

Table (4.31) Anova test results for the significance of the model 3

Model		Sum of Squares	df	Mean Square	F	Sig.
3	Regression	40.470	7	5.781	15.686	.000[b]
	Residual	46.807	127	.369		
	Total	87.277	134			

The data at the table 4.31 indicates that the relation is statistically significant as the model show.

Table (4.32) show the coefficients of the statistical relation model 3 between the dependent and independent variables

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	.536	.323		1.657	.100
	Transparency and disclosure	.132	.063	.159	2.103	.037
	Justice and fairness	.179	.066	.198	2.709	.008
	Independency	.127	.065	.137	1.943	.054
	MA	.189	.132	.100	1.432	.155
	arbitration variables	.331	.071	.355	4.679	.000
	Owner and manager	.202	.149	.096	1.355	.178
	gender1	.300	.132	.153	2.267	.025

Sustainability = 0..922 + 0.256 (Transparency and disclosure) + 0.242 (Justice and fairness)+ 0.212 (independency)

It appear that the sustainability start from (0.536) degree, and increase by applying (Transparency and disclosure) by (0.132), for every increase by one degree at the (Transparency and disclosure), while it increase by (0.179) degree for every increase by one degree at the (Justice and fairness). And it increase by (0.127) degree for every increase by one degree at the (Independency). And it increase by (0.189) degree if the respondent has (MA- level of education) compared to other levels, And it increase by (0.331) degree for every increase by one degree at the (arbitration variables), And it increase by (0.202) degree if the respondent is an (Owner and manager) compared to other cases of job center, and finally it increases by (.300) degree for females when it compared to males.And as it appear at the diagram that these variables explain about 43.4% of the dependent variable.

Model 4

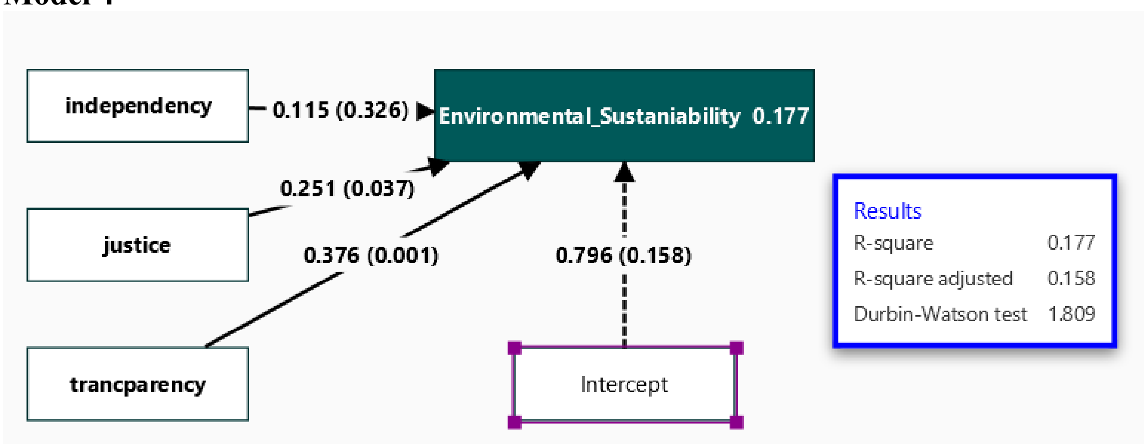

Figure 4.6: Diagram of the regression analyses for model 4

Table (4.33) Anova test results for the significance of the model 4

Model		Sum of Squares	df	Mean Square	F	Sig.
4	Regression	36.512	3	12.171	9.361	.000b
	Residual	170.321	131	1.300		
	Total	206.833	134			

The data at the table 4.33 indicates that the relation is statistically significant as the model show.

Table (4.34) show the coefficients of the statistical relation model 4 between the dependent and independent variables

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
4	(Constant)	.796	.560		1.421	.158
	Transparency and disclosure	.376	.109	.293	3.448	.001
	Justice and fairness	.251	.119	.181	2.110	.037
	Independency	.115	.116	.081	.986	.326

The Model:

Environmental Sustainability = 0.796 + 0.376 (Transparency and disclosure) + 0.251 (Justice and fairness)+ 0.115 (independency)

It appear that the Environmental sustainability start from (0.796) degree, and increase by applying (Transparency and disclosure) by (0.376), for every increase by one degree at the (Transparency and disclosure), while it increase by (0.251) degree for every increase by one degree at the (Justice and fairness). And it increase by (0.115) degree for every increase by one degree at the (Independency). And as it appear at the diagram that these variables explain about 15.8% of the dependent variable.

Model5

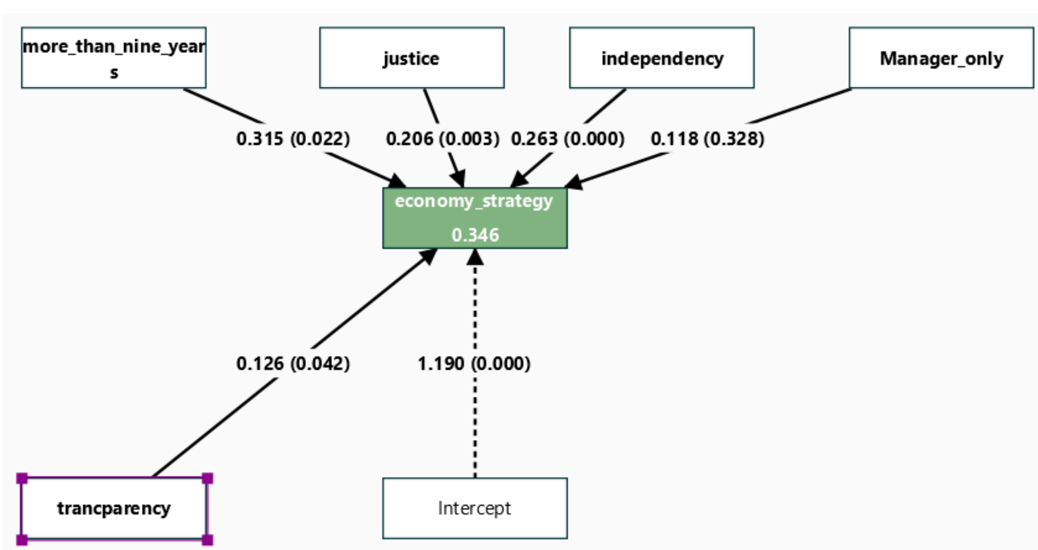

Figure 4.7: Diagram of the regression analyses for model 5

Table (4.35) Anova test results for the significance of the model4:

Model		Sum of Squares	df	Mean Square	F	Sig.
5	Regression	27.917	5	5.583	13.655	.000[b]
	Residual	52.748	129	.409		
	Total	80.665	134			

The data at the table 4.35, indicates that the relation is statistically significant as the model show.

Table (4.36) show the coefficients of the statistical relation model 5 between the dependent and independent variables

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
5	(Constant)	1.190	.325		3.660	.000
	Transparency and disclosure	.126	.061	.157	2.055	.042
	Justice and fairness	.206	.068	.237	3.023	.003
	Independency	.263	.068	.297	3.845	.000
	More than nine years	.315	.136	.191	2.312	.022
	Manager only	.118	.120	.076	.982	.328

The Model:

Economic and strategic Sustainability = 1.190 + 0.126 (Transparency and disclosure) + 0.206 (Justice and fairness)+ 0.236 (independency)+0.315 (More than nine years) + 0.118 (Manager)

It appear that the Environmental sustainability start from (1,190) degree, and increase by applying (Transparency and disclosure) by (0.126), for every increase by one degree at the (Transparency and disclosure), while it increase by (0.206) degree for every increase by one degree at the (Justice and fairness). And it increase by (0.236) degree for every increase by one degree at the (Independency), and it increase by (0.315) for experience (more than nine years) when compared to other categories of experience, and it increase by (0.118) for those only managers when compared to other categories of Job center; and as it appear at the diagram that these variables explain about 15.8% of the dependent variable.

5. Chapter five

Summary, Conclusions, Policy implications, and further research.

5.1 Introduction

This chapter aims to discuss the main results of the study, the conclusions after data analysis, policy and practical implications, and finally, this chapter will also present future studies that are relative to the study subject.

5.2 Summary and discussion of the study results

This section shows the summary and discussion of the results related to study questions and hypotheses.

5.2.1 Summary and discussion of the results related to study questions

- Main question:

{How does the implementation of good governance practices contribute to the sustainable upgrading of Small and Medium-sized Enterprises (SMEs)}.

The implementation of good governance practices plays a fundamental role in the sustainable upgrading of Small and Medium-sized Enterprises (SMEs), as evidenced by the comprehensive data provided. Across multiple regression models and analyses, several key themes emerge highlighting the profound impact of good governance on SME sustainability.

-Transparency and Disclosure: The mean for Transparency and Disclosure is 3.18 with a standard deviation of 0.97. This indicates that transparency and disclosure practices foster trust between small and medium-sized enterprises (SMEs) and other stakeholders such as investors, customers, and employees. By announcing agreements with external parties, disclosing transactions with partners, and promoting transparency in corporate communications, SMEs enhance accountability and credibility. This transparency attracts investment, builds trust, and mitigates risks associated with financial mismanagement or corruption, ultimately supporting the long-term sustainability and development of SMEs. The moderate mean and standard deviation suggest that while SMEs generally implement transparency and disclosure practices, there may be some variability in how these practices are executed across different SMEs.

-Justice and Fairness: The mean for Justice and Fairness is 3.98 with a standard deviation of 0.90. This suggests that upholding principles of justice and fairness within SMEs ensures equitable treatment of stakeholders, including employees, suppliers, and partners. Fair hiring practices, laws guaranteeing stakeholder rights, and impartial decision-making processes contribute to building an inclusive and supportive environment. This fosters loyalty, reduces turnover rates, and promotes positive relationships, essential for the sustainable development of SMEs. The high mean and low standard deviation indicate a consistent and widespread implementation of justice and fairness practices across SMEs.

-Independence: The mean for Independence is 3.48 with a standard deviation of 0.88. This indicates that establishing independence within SMEs through clear decision-making processes and competent governance structures minimizes internal conflicts and empowers SMEs to adapt to market changes effectively. By delegating responsibilities, ensuring checks and balances, and promoting autonomy, SMEs can make informed decisions aligned with long-term objectives, enhancing sustainability and resilience. The mean and standard deviation suggest a moderate level of independence within SMEs, with some variability in implementation across different entities.

-Governance Overall: Governance practices encompassing transparency, justice, and independence are crucial for the sustainable development of small and medium-sized enterprises (SMEs). The mean score for governance is 3.55, indicating a relatively high level of governance practices within SMEs. This suggests that SMEs generally have robust governance structures in place to ensure transparency, fairness, and independence in decision-making processes.

The low standard deviation of 0.65 implies a consistent implementation of governance practices across different aspects. This consistency indicates that SMEs are effectively integrating governance principles into their operations, regardless of variations in specific practices. Consistent implementation of governance practices enhances accountability, fosters trust among stakeholders, and

-Environmental Sustainability: The mean for Environmental Sustainability is 3.39 with a standard deviation of 1.24. This suggests integrating environmental sustainability considerations into SME operations minimizes environmental impact, reduces resource consumption, and contributes positively to society. Measures such as reducing water and energy consumption and adopting sustainable practices enhance reputation and create long-term value for SMEs. The mean and standard deviation indicate moderate environmental sustainability practices within SMEs, reflecting varying approaches to sustainability across different entities.

-Economic and Strategic Sustainability: The mean for Economic and Strategic Sustainability is 3.49 with a standard deviation of 0.78. This indicates incorporating economic and strategic sustainability principles into SME operations ensures alignment with long-term goals and enhances competitiveness. Educating employees about resource consumption, integrating sustainability goals into strategic planning, and adapting strategies to address sustainability challenges contribute to long-term viability and growth. The mean and standard deviation suggest a relatively high level of economic and strategic sustainability practices within SMEs, with consistent but variable implementation across different entities.

-Arbitration Variables: The mean for Arbitration Variables is 3.58 with a standard deviation of 0.87. This indicates that factors such as organization size and innovation capability influence the effectiveness of governance practices within SMEs. Organizations that encourage innovation and invest in governance practices tend to have a higher degree of sustainability and development. The mean and standard deviation reflect a consistent implementation of governance practices across SMEs, with some variability based on organization size and innovation capacity.

Overall, the implementation of good governance practices across these domains contributes significantly to the sustainable development of small and medium-sized enterprises, fostering trust, accountability, competitiveness, and long-term growth, and the examination of the Governance field reveals that SMEs in Palestine exhibit robust adherence to principles of Justice and Fairness, coupled with moderate levels of Transparency and Disclosure, and Independence. Collectively, these findings underscore the commendable governance practices adopted by SMEs in Palestine, which significantly contribute to their sustainability and developmental endeavors.

-Specific Objectives:

1-what is the impact of Transparency & Disclosure in Business sustainability

Transparency and disclosure significantly enhance the sustainability of SMEs by building trust with the public, promoting an ethical organizational culture, and ensuring accountability and investor confidence. The data indicates that the mean for transparency and disclosure practices is 3.18 with a standard deviation of 0.97, suggesting a moderate implementation level. The highest mean (3.26, SD 1.02) is for the belief that disclosing transactions builds public trust, while the lowest mean (3.07, SD 1.24) is for announcing agreements with external parties. Overall, SMEs that prioritize transparency are better positioned for long-term success and stability.

In summary, the results suggest that disclosing transactions with partners is perceived as more important for transparency and disclosure, while simply announcing agreements is seen as less important.

2- what is the impact of justice & fairness in Business sustainability

Justice and fairness enhance business sustainability by fostering a fair and equitable environment. The data shows a high implementation level with an overall mean of 3.98 and a standard deviation of 0.90. Specifically, the mean for having laws that guarantee stakeholder rights is 4.04 (SD 0.91), and for having fair hiring systems, it is 3.92 (SD 0.99). This high degree of justice and fairness ensures that stakeholders feel secure and valued, contributing to a stable, committed workforce and fostering long-term organizational growth and sustainability.

In summary, the results suggest that ensuring stakeholders' rights through laws is perceived as more important for justice and fairness than having fair hiring systems.

3-what is the impact of responsibility in Business sustainability

While this study has thoroughly analyzed the impact of transparency and disclosure, justice and fairness, and independency on business sustainability, the responsibility aspect of governance was not included in the empirical analysis. This omission is a limitation of the current research.

Existing literature suggests that responsibility in governance, encompassing ethical conduct, accountability, and corporate social responsibility, is important for sustainable business practices. Companies that prioritize responsible governance tend to build stronger relationships with stakeholders, enhance their reputational capital, and achieve long-term financial performance.

Future research should incorporate the responsibility aspect to provide a comprehensive understanding of its impact on business sustainability. Including this dimension will offer a more holistic view of how various governance practices contribute to the sustainable upgrading of Small and Medium-sized Enterprises (SMEs).

4-what is the impact of independence in Business sustainability

The impact of independence on business sustainability is significant, as indicated by the overall large degree of means in the independency field. The highest mean (3.76) and standard deviation (1.07) for the paragraph "The Board of Directors acts independently in making decisions" suggest that independent decision-making by the board is crucial for sustainability. Similarly, having criteria for selecting specialized committees (mean 3.47, standard deviation 0.94) contributes positively to sustainable practices. However, the intermediate mean (3.22) and higher standard deviation (1.17) for the executive committee's role in administrative decisions indicate a relatively lesser impact compared to the board's independence. Overall, the mean score of 3.48 with a standard deviation of 0.88 reflects that strong governance practices promoting independence are essential for enhancing business sustainability.

In summary, the results suggest that an independent board of directors making decisions is perceived as more important for business sustainability than a company having an executive committee that handles most administrative decisions.

5.2.2 Summary and discussion of the results related to study hypothesis

-Main hypothesis:

Ha: Good governance is essential for enhancing the long-term viability and success of small and medium-sized enterprises.

The regression analyses conducted across five models provide comprehensive insights into the relationship between governance and sustainability, supporting the main hypothesis that good governance is essential for enhancing the long-term viability and success of small and medium-sized enterprises.

In Model 1, the analysis demonstrates a significant positive relationship between governance and sustainability ($p < 0.001$). For every one-unit increase in governance, sustainability increases by 0.494, and by 0.332 for arbitration variables. This model explains approximately 42.4% of the variability in sustainability.

Model 2 further reinforces the main hypothesis, revealing significant positive effects of transparency and disclosure, justice and fairness, and independency on sustainability ($p < 0.001$). For every one-unit increase in these variables, sustainability increases by 0.256, 0.242, and 0.212, respectively. Model 2 explains about 33% of the variability in sustainability.

Similarly, Model 3 illustrates significant positive relationships between transparency and disclosure, justice and fairness, independency, educational level (MA), arbitration variables, job center (owner and manager), and gender (female) with sustainability ($p < 0.05$). These variables collectively explain approximately 43.4% of the variability in sustainability.

In Model 4, transparency and disclosure and justice and fairness exhibit significant positive impacts on environmental sustainability ($p < 0.001$). For every one-unit increase in these variables, environmental sustainability increases by 0.376 and 0.251, respectively. However, independency does not significantly influence environmental sustainability. This model explains about 15.8% of the variability in environmental sustainability.

Lastly, Model 5 highlights the significant positive effects of transparency and disclosure, justice and fairness, independency, years of experience (more than nine years), and job center (manager only) on economic and strategic sustainability ($p < 0.05$). For every one-unit increase in these variables, economic and strategic sustainability increases by 0.126, 0.206, 0.236, 0.315, and 0.118, respectively. Model 5 explains approximately 15.8% of the variability in economic and strategic sustainability.

Overall, the findings across all five models consistently support the main hypothesis, affirming that good governance practices have a significant and positive impact on upgrading both environmental and economic/strategic sustainability.

- Specific hypotheses:

Ha1: Enhanced transparency in governance has a positive impact on the environmental sustainability practices of small and medium-sized enterprises.

Based on the regression analyses conducted in Model 4, the specific hypothesis Ha1 is supported. The results demonstrate a significant positive relationship between transparency and disclosure in governance and environmental sustainability practices ($p < 0.001$). For every one-unit increase in transparency and disclosure, environmental sustainability practices increase by 0.376 degrees. Therefore, increased transparency in governance positively influences the environmental sustainability practices of SMEs, as hypothesized.

Ha2: Making fair and impartial decisions within the organization is linked to improved social sustainability.

The findings from Model 2 provide support for hypothesis Ha2. The analysis reveals a significant positive relationship between justice and fairness within the organization and social sustainability outcomes ($p < 0.001$). For every one-unit increase in justice and fairness, social sustainability improves by 0.251 degrees. Therefore, fair and impartial decision-making within the organization is positively associated with improved social sustainability, aligning with hypothesis H2.

Ha3: High levels of social responsibility in business practices are linked to improved economic sustainability.

Based on the results from Model 5, hypothesis Ha3 is supported. The analysis indicates a significant positive relationship between transparency and disclosure, justice and fairness, and independency (which can be associated with high levels of social responsibility) with economic and strategic sustainability outcomes ($p < 0.05$). For every one-unit increase in these variables, economic and strategic sustainability increase by 0.126, 0.206, and 0.236 degrees, respectively. Therefore, high levels of social responsibility in business practices are indeed linked to enhanced economic sustainability, validating hypothesis H3.

Ha4: Independence in decision-making by the governing body is positively associated with the organization's innovation capability.

Based on the findings from Model 2, hypothesis Ha4 is partially supported. The analysis reveals a significant positive relationship between independency (which reflects independence in decision-making by the governance body) and sustainability outcomes ($p < 0.001$). For every one-unit increase in independency, sustainability increases by 0.212 degrees. This suggests that independence in decision-making is indeed positively correlated with sustainability. However, the model does not directly measure innovation capability. Therefore, while there is evidence supporting the positive association between independence in decision-making and sustainability, further research is needed to directly assess the correlation between governance independence and innovation capability.

5.3 Discussion of the main hypothesis and Specific hypotheses with previous studies

The main hypothesis, which posits that good governance is essential for enhancing the long-term viability and success of small and medium-sized enterprises (SMEs), aligns closely with findings from studies by Bui and Krajcsák (2023) and Chaabouni, Khedher, & Saadaoui (2019).

Both studies demonstrate a positive relationship between corporate governance and financial performance, with Bui and Krajcsák (2023) highlighting that transparency and disclosure significantly improves financial outcomes in Vietnamese companies. Similarly, Chaabouni, Khedher, & Saadaoui (2019) found that strong corporate governance is particularly beneficial in uncertain environments, further reinforcing the main hypothesis. However, a notable difference arises when comparing with the study by Pasquali and De Marchi (2022), which emphasizes the role of government regulations in shaping technological capabilities and market access in Kenya's leather industry. This suggests that while good governance universally benefits SMEs, the specific mechanisms and outcomes can vary depending on regional and industry-specific factors.

Specific hypothesis, Enhanced transparency in governance can foster environmental sustainability practices within SMEs. This aligns with the findings from studies such as Camilleri (2017), which emphasize the role of corporate citizenship and responsible environmental practices. Camilleri's study suggests that transparent governance frameworks promote accountability and adherence to environmental regulations, thereby enhancing sustainability efforts. Moreover, Drago and Fortuna (2023) highlight that organizations emphasizing Corporate Social Responsibility (CSR) and sustainability tend to exhibit stronger connections with environmental practices, reinforcing the positive impact of transparent governance on environmental sustainability.

Fair and impartial decision-making within organizations is crucial for promoting social sustainability. This hypothesis resonates with studies like Al-Yami and Al-Sawat (2022), which investigate governance standards in the governmental health sector. Their findings indicate that governance practices promoting fairness and equity contribute to higher standards of service delivery and employee satisfaction, aspects closely tied to social sustainability. Furthermore, the study by Rizq Allah and Al-Kassan (2022) underscores that good governance, including fairness in decision-making, enhances overall societal welfare, thus supporting the link between fair decisions and social sustainability.

High levels of social responsibility in business practices are often associated with improved economic sustainability. This hypothesis finds support in studies such as Chaabouni, Khedher, & Saadaoui (2019) and Bosu-Anquandah, Amoah, & Mensah (2018). Chaabouni et al. (2019) highlight that strong corporate governance, which includes social responsibility practices, positively influences financial performance in SMEs. Similarly, Bosu-Anquandah et al. (2018) emphasize that effective governance contributes to sustainable performance across economic dimensions, suggesting that socially responsible practices align with long-term economic viability.

Independence in decision-making within the governing body can stimulate innovation capability within organizations. This hypothesis is supported by studies such as Al Harithy et al. (2021), who explore the roles of board corporate governance in sustainable family businesses. Their findings indicate that governance independence fosters strategic decision-making and risk-taking, crucial elements for innovation. Additionally, Bui and Krajcsák (2023) suggest that board independence correlates positively with company size and performance, implying that autonomous decision-making contributes to organizational agility and innovative capacity.

5.4 Conclusion

Based on the findings from this study conducted in the Bethlehem Governorate of Palestine, it is evident that good governance practices significantly enhance sustainability outcomes for SMEs.

The research consistently supports the main hypothesis, demonstrating that practices such as increased transparency, fairness in decision-making, and governance independence positively influence sustainability across multiple dimensions. Specifically, transparency and disclosure were found to bolster both environmental and economic sustainability, aligning with prior research by Bui and Krajcsák (2023).

Moreover, fair decision-making processes were linked to improved social sustainability, underscoring the importance of equitable practices within organizations. While governance independence correlated positively with innovation capability, its impact on environmental sustainability was less pronounced in this context. Additionally, factors such as experience and job position emerged as crucial contributors to economic and strategic sustainability, highlighting the significance of human capital in fostering sustainable business practices. These findings collectively emphasize the pivotal role of governance in driving SMEs towards sustainable development and resilience in the face of evolving market challenges.

5.5 Other related conclusions

In conclusion, this study on governance practices and sustainability outcomes in SMEs in Palestine, particularly in Bethlehem, reveals several significant insights. Firstly, sectoral comparisons underscore the universal improvement in performance metrics due to governance standards, although the specific impacts vary across sectors, as highlighted by studies such as Al-Yami and Al-Sawat (2022) in the health sector.

Secondly, while this research contributes empirical evidence on governance's relationship with sustainability in SMEs, it acknowledges limitations in not empirically analyzing the impact of social responsibility, a crucial aspect for sustainable business practices that should be addressed in future research using robust methodologies like AMOS and SPSS.

Thirdly, the findings align with previous studies emphasizing governance's influence on technological capabilities, market access (Pasquali and De Marchi, 2022), and sustainable human development (Rizq Allah and Al-Kassan, 2022), thereby filling gaps in the literature.

Fourthly, emphasizing social sustainability and responsibility in future studies will provide a more holistic understanding of governance's role in enhancing sustainability in SMEs.

Lastly, the consistent support for the hypothesis across all models underscores the critical role of good governance in not only maintaining but also enhancing sustainability practices, aligning with global perspectives on governance's impact on business performance and sustainability. As SMEs constitute a significant portion of Palestine's business landscape, integrating sustainability reports into financial disclosures becomes imperative to build stakeholder confidence and attract investors, thereby promoting long-term positive impacts on companies and their stakeholders.

According to the Palestinian Central Bureau of Statistics, small and medium enterprises (SMEs) in Palestine, particularly in Bethlehem, constitute a significant portion of the business landscape. The study's sample included 210 enterprises out of 458, encompassing 125 small enterprises and 85 medium enterprises. This classification provided a focused insight into how governance practices affect sustainability in the local context. The analysis confirmed that sustainability, as a business strategy, effectively integrates economic, social, and environmental issues, thus promoting long-term positive impacts on companies and their stakeholders.

This further emphasizes the necessity of incorporating sustainability reports into financial disclosures to build stakeholder confidence and attract potential investors.

5.6 Policy and Practical Implications

The study highlights critical policy implications by advocating for enhanced governance regulations that promote transparency and accountability. Practical implications suggest integrating sustainability into core business strategies, fostering stakeholder engagement, and implementing green technologies. These actions can bolster organizational resilience and align corporate practices with sustainable development goals.

Policy and practical implications for enhancing governance and sustainability practices in SMEs are important for fostering responsible business conduct and long-term viability. Policymakers should prioritize the enhancement of governance standards by developing and enforcing regulations that promote transparency, fairness, and independence in corporate governance. This includes mandating regular disclosure of financial and non-financial information to stakeholders.

Additionally, government agencies should incentivize SMEs to adopt socially responsible practices through tax benefits, subsidies, or recognition programs. Establishing robust monitoring and evaluation frameworks is essential to ensure compliance with governance standards and identify areas for improvement through regular audits and assessments. Moreover, encouraging SMEs to engage actively with stakeholders can enhance accountability and promote sustainable practices. On a practical level, SMEs should prioritize transparency in their operations, ensuring clear communication of financial results and sustainability initiatives. Implementing fair decision-making processes and fostering long-term sustainability plans are critical to building resilience and ensuring business success. Leveraging technology for transparency and sustainable practices further supports SMEs in achieving their governance and sustainability goals.

5.7 Further studies

During the analysis, two critical dimensions—responsibility in governance and social sustainability—were overlooked. These dimensions play pivotal roles in shaping organizational practices and societal impacts. Future studies should prioritize investigating these dimensions to enhance understanding and implementation in governance frameworks and sustainability strategies. By addressing these dimensions, researchers can uncover valuable insights that contribute to more comprehensive and effective policies and practices in both governance and sustainability.

Future research can be conducted in other related fields:

Impact of Responsibility on Governance

Cross-Cultural Studies on Social Sustainability

Urban Planning and Development

Technology and Innovation Management

Business Ethics and Corporate Governance

Criminal Justice and Law Enforcement

by conducting further research in these fields, scholars can contribute to the advancement of knowledge, inform evidence-based policymaking, and address pressing societal challenges.

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أثر الاستدامة الاجتماعية التنظيمية على التزام الموظفين في شركات الطيران

مجلة كلية السياحة والفنادق

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محمد عبدالغنى غنيمى, عبير, أحمد على خليل, عبدالفتاح=

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Appendices

Appendix 1: Arabic Questionnaire

جامعة القدس

الدراسات العليا

كلية إدارة الأعمال والاقتصاد

ماجستير إدارة الأعمال

عزيزي / عزيزتي،

الباحث يقوم بإجراء هذا البحث تحت عنوان:
"تطوير الاستدامة للمشروعات الصغيرة والمتوسطة من خلال الحوكمة الجيدة: أدلة من فلسطين".
كمتطلب للحصول على درجة الماجستير في إدارة الأعمال.
يتم تقديم الاستبيان المرفق لأغراض جمع البيانات، وآمل أن تتمكن من المشاركة في الإجابة على أقسام هذا الاستبيان من وجهة نظرك بدقة وبموضوعية.

يرجى ملاحظة أن البيانات التي سيتم جمعها ستستخدم لأغراض البحث العلمي فقط، وستكون سرية تامة.

شكرًا لك مقدمًا

الباحث: قيس حسين

المشرف: الاستاذ الدكتور إبراهيم عوض

القسم الأول: البيانات الشخصية

بجوار الخانة التي تنطبق عليك يرجى وضع (X)

الجنس

□ذكر □أنثى

هل أنت؟

□مالك و مدير □مالك فقط □مدير فقط □غير ذلك حدد ______________

العمر

□أقل من 30 سنة □من 30 إلى 40 سنة □من 41 إلى 50 سنة

□من 51 إلى 60 سنة □أكثر من 60 سنة

التأهيل الأكاديمي

□ابتدائي □ثانوي □دبلوم □بكالوريوس □ماجستير

الخبرة العملية

□أقل من 3 سنوات □من 3 إلى 6 سنوات □من 3 إلى 9 سنوات □أكثر من 9 سنوات

العضوية في الهيئات المهنية

□عضو في جمعية تجارية □عضو في منظمة للإستدامة

□غير عضو في أي هيئة مهنية □عضو في هيئة ذات صلة بالحوكمة

القسم الثاني: الحوكمة

تشير الحوكمة إلى النظام والعمليات التي يتم من خلالها توجيه الهيئات والتحكم فيها، وتحملها مسؤولية أفعالها.

تتضمن الحوكمة إنشاء هياكل وسياسات وآليات اتخاذ القرار لضمان أن تعمل الهيئة بكفاءة وبشكل أخلاقي ووفقاً لأهدافها.

تعزز الحوكمة الجيدة الشفافية، والعدالة، والإدارة المسؤولة للموارد، واستقلال الهيئة، مما يسهم في الاستدامة الشاملة ونجاح الكيان.

يرجى الإجابة على الأسئلة التالية عن طريق وضع علامة (√) في الخانة الصحيحة التي تعكس وجهة نظرك:

الرقم	الفقرات	دائما	غالبا	احيانا	نادرا	ابدا
الشفافية والافصاح: تشمل الشفافية مشاركة المعلومات والتفاصيل بشكل مفتوح حول أنشطة الهيئة، وقراراتها، والمسائل المالية مع أصحاب المصلحة والجمهور.						
1	تعلن الشركة عن الاتفاقيات الموقعة مع الأطراف الخارجية؟					
2	يعتبر العاملون في المؤسسة أن الكشف عن التعاملات مع الشركاء يلعب دورًا في بناء الثقة مع الجمهور؟					
3	تساهم الثقافة التنظيمية في تعزيز بيئة تشجع على الشفافية والإفصاح في الاتصالات الشركاتية؟					
العدالة والانصاف: تشمل المعاملة العادلة للأفراد، مضمونة بضمان معاملة الجميع بدون تحيز وبدون تحفظ، وأن يتم اتخاذ القرارات استنادًا إلى مبادئ العدالة والمساواة.						
4	تسعى الشركة لزيادة مكافات العاملين من الارباح الصافية بناءا على كفائة العمل؟					
5	تسود في الشركة قوانين تضمن حقوق اصحاب المصالح؟					
6	لدى الشركة نظم عادلة لتوظيف العمال؟					

المسؤولية: تتضمن الإجراءات الأخلاقية والقابلة للمحاسبة التي يتخذها الأفراد أو الهيئات لتحقيق التزاماتهم، واتخاذ قرارات مستنيرة، والمساهمة بشكل إيجابي في رفاهية أصحاب المصلحة والمجتمع.						
7	تمتلك الشركة اليات لاكتشاف الممارسات الخاطئة بالانتاج؟					
8	تضع الشركة خطط لخدمة المجتمع وتنميته؟					
9	تأخذ الشركة في اعتبارها تحقيق الأفضل لفائدة أصحاب المصلحة من ناحية الجودة؟					
الاستقلالية: تشير إلى الاستقلالية والحرية من التأثير أو التحكم الخارجي، مما يتيح للأفراد أو الهيئات التصرف واتخاذ القرارات بشكل نزيه، دون تأثير غير مبرر من ضغوط خارجية.						
10	تمتلك الشركة معايير لاختيار اللجان المتخصصة؟					
11	يعمل مجلس الإدارة بشكل مستقل في اتخاذ القرارات؟					
12	تمتلك الشركة لجنة تنفيذية تتخذ معظم القرارات الادارية فيها؟					

القسم الثالث: استدامة الأعمال

تتضمن إدارة استراتيجية للأبعاد البيئية والاجتماعية والاقتصادية لضمان الاستدامة والنجاح على المدى الطويل. يتضمن ذلك الممارسات التي تحقق توازنًا بين تحقيق الربح ورعاية البيئة والمسؤولية الاجتماعية والاعتبارات الأخلاقية، مع تعزيز المرونة والمساهمات الإيجابية في المجتمع

.

يرجى الإجابة على الأسئلة التالية عن طريق وضع علامة (√) في الخانة الصحيحة التي تعكس وجهة

الرقم	الفقرات	دائما	غالبا	احيانا	نادرا	ابدا
الاستدامة البيئية: تتضمن تقليل تأثير الأنشطة البشرية على البيئة لضمان الاستخدام المسؤول للموارد الطبيعية والحفاظ على النظم البيئية للأجيال الحالية والمستقبلية.						
13	تمتلك الشركة سياسة بيئية رسمية ؟					

14	تأخذ مؤسستك في اعتبارها التأثير البيئي عند اتخاذ قرارات الأعمال؟					
15	تتخذ الشركة إجراءات لتقليل استهلاك المياه ومياه الصرف؟					
16	تتخذ الشركة إجراءات لتقليل استهلاك الطاقة من خلال نظام الطاقة الشمسية؟					
الاستدامة الاجتماعية: تركز على تعزيز مجتمعات عادلة وشاملة من خلال التصدي للتحديات الاجتماعية، وتعزيز العدالة الاجتماعية، وضمان رفاهية المجتمعات وتمكينها.						
16	تعنى مؤسستك بالتنوع والاندماج في العاملين، وتعزز الانتماء بين الموظفين؟					
17	تسهم مؤسستك في توفير فرص العمل المحلية، خاصة في المناطق ذات معدلات البطالة العالية في فلسطين؟					
18	تتفاعل مؤسستك في دعم الفئات مثل النساء والأقليات في سوق العمل المحلي؟					
الاستدامة الاقتصادية: تتعلق بقدرة النظام الاقتصادي على الحفاظ على الاستدامة على المدى الطويل، وتعزيز النمو الاستقراري، وتحقيق تخصيص فعّال للموارد، وتعزيز المرونة للصدمات الخارجية، مع الاهتمام أيضًا بالعدالة الاجتماعية والمسؤولية البيئية.						
19	يتم توعية موظفي شركتك حول أهمية تقليل استهلاك الموارد؟					
20	تشجع شركتك على إعادة التدوير واستخدام المواد المعاد تدويرها في عمليات الإنتاج؟					
21	تواجه مؤسستك تحديات تتعلق بالوصول إلى الموارد والأسواق بسبب الاحتلال؟					
الاستدامة الاستراتيجة: تشمل دمج ممارسات الاستدامة في تخطيط الهيئة للمدى الطويل وعمليات اتخاذ القرار لضمان المرونة والميزة التنافسية، وتأثير إيجابي على المجتمع والبيئة.						
22	تدمج مؤسستك أهداف الاستدامة في تخطيطها الاستراتيجي على المدى الطويل؟					

23	تأخذ مؤسستك في اعتبارها الاستدامة الاقتصادية في تشكيل توجهها الاستراتيجي العام؟					
24	تكيف مؤسستك استراتيجياتها لمعالجة التحديات والفرص المتعلقة بالاستدامة في البيئة التجارية الحالية؟					

القسم الرابع: المتغيرات التحكيمية

من خلال استكشاف هذه العوامل التحكيمية، يسعى البحث إلى فهم أعمق للديناميكيات التي تشكل التنمية المستدامة داخل المشروعات الصغيرة والمتوسطة في فلسطين، مما يسهم في تقديم رؤى قيمة للمعرفة الأكاديمية والتطبيقات العملية للشركات في المنطقة.

يرجى الإجابة على الأسئلة التالية عن طريق وضع علامة (√) في الخانة الصحيحة التي تعكس وجهة نظرك.

الرقم	الفقرات	دائما	غالبا	احيانا	نادرا	ابدا
حجم المؤسسة: حجم أو مدى المؤسسة والذي يتم قياسه عادة بواسطة عوامل مثل عدد الموظفين، الإيرادات، أو حصة السوق، مما يوفر مؤشرًا على نطاقه، وتعقيداته، وآثاره العامة في صناعته.						
25	يؤثر حجم منظمتك على قدرتها على تنفيذ والحفاظ على ممارسات الحوكمة؟					
26	يسهم حجم منظمتك في المنافسة في السوق؟					
27	يؤثر حجم منظمتك على عمليات اتخاذ القرار المتعلقة بمبادرات الاستدامة؟					
القدرة على الابتكار: تشير إلى قدرة المؤسسة على تكوين وتنفيذ أفكار إبداعية بشكل منتظم، والتكيف مع التغيير، وتعزيز ثقافة تشجع على تطوير حلول، ومنتجات، أو عمليات جديدة للبقاء تنافسيًا						
28	قدمت قدرة الابتكار في مؤسستك إلى إبداع منتجات أو خدمات فريدة ومستدامة في السوق؟					
29	تؤثر قدرة الابتكار في مؤسستك على ميزتها التنافسية من حيث ممارسات الاستدامة؟					
30						

	تشجع مؤسستك وتستثمر في الممارسات الابتكارية، مثل اعتماد التقنيات الجديدة، وتعزيز ثقافة التحسين المستمر بالانتاج؟					

القسم الخامس: اهمية المتغيرات

* فيما يتعلق بمتغيرات الحوكمة يرجى ترتيبها من 1 الى 4 بحيث يكون 1 الأكثر أهمية و 2 الذي يليه وهكذا

الشفافية والافصاح □

العدالة والانصاف □

المسؤولية □

الاستقلالية □

*فيما يتعلق بمتغيرات الاستدامة يرجى ترتيبها من 1 الى 4 بحيث يكون 1 الأكثر أهمية و 2 الذي يليه وهكذا

الاستدامة البيئية □

الاستدامة الاجتماعية □

الاستدامة الاقتصادية □

الاستدامة الاستراتيجية □

القسم السادس : الأسئلة العامة

تم تطوير هذا القسم لقياس جودة الاستبيان

بجوار الخانة التي تنطبق عليك يرجى وضع (X)

1- هل تشعر بأن أسئلة الدراسة مريحة؟ □ نعم □ لا

2- هل أسئلة الدراسة واضحة؟ □ موافق □ غير موافق □ احيانا

3- هل استغرق الاستبيان وقتًا طويلاً لإكماله؟ □ نعم □ لا

4- هل الأسئلة متسقة؟ □ نعم □ لا

5- هل الاستبيان جذاب بشكل جيد؟ □ موافق □ غير موافق □ احيانا

6- هل تشعر بأن الأسئلة ذات صلة بموضوع الدراسة؟ □ نعم □ لا

Appendix 2: English Questionnaire

Al-Quds University

Graduate Studies

Administration Business and Economics Faculty

Master of Business Administration

Dear Sir / Madam,

The researcher is conducting this study under the title of:

" Upgrading sustainability for SMEs through good governance: Evidence from Palestine. ".

As a requirement for a master's degree in Business Administration. The attached questionnaire is prepared for data collection purposes, I hope that you will be able to participate in answering the sections of this questionnaire from your point of view accurately and objectively.

Kindly note that the data collected will be used for scientific research purposes only, and will be strictly confidential

Thank you in advance

Researcher: Qais Hussein

Supervisor: Dr. Ibrahim Awad

First section: Personal Data

Kindly put an (X) next to the box that applies to you

1. Gender

□ Male □ Female

2. The respondent is

□ Owner □ Worker

3. Age

□ less than 30 years □ from 30-40 years □ from 41-50 years

□ from 51-60 years □ above 60 years

4. Academic Qualification

□ Primary □ Secondary □ Diploma □ B.A □ M.A

5. Work Experience

□ Less than 3 years □ from 3 to 6 years □ from 3 to 9 years □ more than 9 years

6. Membership in Professional Organizations

□Member of a business association □Member of a sustainability organization

□Member of a governance-related □Not a member of any professional organization

Second section: Governance

Governance refers to the system and processes by which organizations are directed, controlled, and held accountable. It involves the establishment of structures, policies, and decision-making mechanisms to ensure that an organization operates efficiently, ethically, and in accordance with its objectives. Good governance promotes transparency, justice, responsible management of resources, and the independence of the organization, contributing to the overall sustainability and success of an entity.

Kindly answer the following questions by ticking (√) in the correct box that reflects your point of view:

Questions	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Transparency & Disclosure: involve openly sharing information and details about an organization's activities, decisions, and financial matters with stakeholders and the public.					
how much does the organizational culture contribute to fostering an environment that encourages transparency and disclosure in corporate communications?					
employees in the organization perceive that disclosing transactions with partners plays a role in building trust with the public?					
The company announces the agreements signed with third parties?					
Justice & Fairness: Justice and fairness entail the equitable treatment of individuals, ensuring that all are treated impartially and without bias, and that decisions are made based on principles of fairness and equality.					

The company seeks to increase employee bonuses from net profits?					
In the company, laws are enforced to ensure the rights of stakeholders?					
The company has fair systems for hiring workers?					
Responsibility: involves the ethical and accountable actions taken by individuals or organizations to fulfill their obligations, make informed decisions, and contribute positively to the well-being of stakeholders and society.					
The company has mechanisms to detect improper practices?					
The company develops plans to serve and enhance the community?					
The company takes into account achieving the best for stakeholders?					
Independence: refers to the autonomy and freedom from external influence or control, allowing individuals, organizations, or entities to act and make decisions impartially, without being unduly swayed by external pressures.					
The company has criteria for selecting specialized committees?					
board of directors operates independently in decision-making?					
The company has an executive committee that makes most of the administrative decisions?					

Third section: Business Sustainability

encompasses the strategic management of environmental, social, and economic dimensions to ensure long-term viability and success. It involves practices that balance profit generation with environmental stewardship, social responsibility, and ethical considerations, fostering resilience and positive contributions to society.

Kindly answer the following questions by ticking (√) in the correct box that reflects your point of view:

Questions	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Environmental: involves minimizing the impact of human activities on the environment to ensure the responsible use of natural resources and the preservation of ecosystems for present and future generations.					
The company have a formal Environmental policy in place ?					
Does your organization consider the environmental impact when making business decisions?					
The company take any action in order to reduce water consumption and wastewater?					
Social: focuses on fostering equitable and inclusive societies by addressing social challenges, promoting social justice, and ensuring the well-being, diversity, and empowerment of communities.					
your organization address diversity and inclusion in its workforce, fostering a sense of belonging among employees?					

Does your organization contribute to local employment opportunities, particularly in areas with higher unemployment rates in Palestine?					
Your organization involved in supporting groups like women and minorities in the local workforce?					

Economic: pertains to the ability of an economic system to maintain long-term viability, promoting stable growth, efficient resource allocation, and resilience to external shocks, while also considering social equity and environmental responsibility.					
your company's staff educated about the importance of reducing resource consumption?					
your company promote recycling and the use of recycled materials in production processes?					
Does your organization face challenges related to access to resources and markets due to the occupation?					

Strategic: involves the integration of sustainable practices into an organization's long-term planning and decision-making processes to ensure resilience, competitive advantage, and positive societal and environmental impact.					
Does your organization integrate sustainability goals into its long-term strategic planning?					
To what degree does your organization consider economic sustainability in shaping its overall strategic direction?					
Does your organization adapt its strategies to address challenges and opportunities related to sustainability in the current business environment?					

Fourth section: Moderator Variables

By exploring these moderating factors, the research seeks a deeper understanding of the dynamics that shape sustainable development within small and medium enterprises in Palestine, contributing valuable insights to both academic knowledge and practical applications for businesses in the region.

Kindly answer the following questions by ticking (√) in the correct box that reflects your point of view:

Organizational size: refers to the scale or magnitude of an entity, typically measured by factors such as the number of employees, revenue, or market share, providing an indication of its scope, complexity, and overall footprint in its industry or sector.					
how does the size of your organizational influence its ability to implement and sustain governance practices?					
In your view, does the organizational size of your organization contribute to its competitive advantage in the market?					
How does the size of your organizational influence decision-making processes related to sustainability initiatives?					
Innovation capability: refers to an entity's capacity to consistently generate and implement creative ideas, adapt to change, and foster a culture that encourages the development of new solutions, products, or processes to stay competitive and address evolving challenges.					

Has the innovation capacity of your organization contributed to the creation of unique and sustainable products or services in the market?					
Does the innovation capability of your organization impact its competitive advantage in terms of sustainability practices?					
Does your organization encourage and invest in innovative practices, such as adopting new technologies, fostering a culture of continuous improvement, and embracing research and development, to enhance its overall sustainability performance?					

Fifth Section: Importance of Variables

Regarding Governance Variables, please rank them from 1 to 4, with 1 being the most important and 4 the least important:

Transparency & Disclosure □

Justice & Fairness □

Responsibility □

Independence □

Regarding Sustainability Variables, please rank them from 1 to 4, with 1 being the most important and 4 the least important:

Environmental Sustainability □

Social Sustainability □

Economic Sustainability □

Strategic Sustainability □

Sixth section: General questions

This section is developed to measure the quality of the questionnaire.

Kindly put an (X) next to the box that applies to you

1. Do you feel that the study questions are comfortable □ Yes □ No
2. Is the study questions clear □ agree □ disagree
3. The questionnaire took you long- time to complete □ Yes □ No
4. Are the questions consistent □ Yes □ No
5. Is the questionnaire attractive □ agree □ disagree
6. Do you feel that the questions are relevant to the topic of the study? □ Yes □ No

Thank you

Appendix 3: Study population

دولــــة فلسطيـــن

مجلس الوزراء

قرار مجلس الوزراء رقم (11 /18/115/م.و/م.ا) لعام 2021م

التعريف والتصنيف الوطني للمنشآت الاقتصادية المتناهية الصغر والصغيرة والمتوسطة والكبيرة الحجم

بناءً على الصلاحيات المخولة لنا قانوناً

وتنسيب وزير الاقتصاد الوطني

وبناءً على مقتضيات المصلحة العامة

وبعد الاطلاع على القانون الأساسي المعدل لسنة 2003م وتعديلاته؛

وعلى قانون الشركات رقم (12) لسنة 1964م وتعديلاته؛

وقرار مجلس الوزراء رقم (13/105/01/م.و/س.ف) لعام 2011م؛

قرر مجلس الوزراء في جلسته المنعقدة في مدينة رام الله بتاريخ (2021/06/28م) ما يلي:

المادة الأولى

المصادقة على تعديل التعريف والتصنيف الوطني للمنشآت الاقتصادية المتناهية الصغر والصغيرة والمتوسطة والكبيرة الحجم.

المادة الثانية

يتم تصنيف المنشآت الاقتصادية في فلسطين إلى خمسة تصنيفات وهي (متناهية الصغر، الصغيرة جداً، الصغيرة، المتوسطة، وكبيرة الحجم على أساس المعايير المبينة في الجدول التالي):

المبيعات السنوية Annual Turnover	عدد الموظفين Number of employee	التصنيف Classification
بشرط ألا يتجاوز حجم المبيعات 100 ألف دولار أميركي provided that turnover does not exceed USD (100,000)	(4-1)	متناهية الصغر (Micro)
بشرط ألا يتجاوز حجم المبيعات 200 ألف دولار أميركي provided that turnover does not exceed USD (200,000)	(9-5)	صغيرة جداً (Very Small)
بشرط ألا يتجاوز حجم المبيعات 500 ألف دولار أميركي provided that turnover does not exceed USD (500,000)	(19-10)	صغيرة (Small)
بشرط ألا يتجاوز حجم المبيعات 2 مليون دولار أميركي provided that turnover does not exceed USD (2,000,000)	(49-20)	متوسطة (Medium)
حجم المبيعات أعلى من 2 مليون دولار أميركي More than USD(2,000,000)	(+50)	كبيرة (Large)

جدول 8: عدد المنشآت العاملة* في القطاع الخاص والقطاع الأهلي والشركات الحكومية في فلسطين حسب النشاط الاقتصادي الرئيسي وفئات حجم العمالة، 2017

Table 8: Number of Operating Establishments* in the Private Sector, Non Governmental Organization Sector and Governmental Companies in Palestine by Main Economic Activity and Employment Size Group, 2017

ISIC	Economic Activity	Employment Size Group +100	99-50	49-20	19-10	9-5	4-1 فئات حجم العمالة	المجموع Total	النشاط الاقتصادي	رمز النشاط
B	Mining and quarrying	0	3	10	45	147	115	320	التعدين واستغلال المحاجر	باء
C	Manufacturing	29	78	430	1,032	2,721	14,835	19,125	الصناعات التحويلية	جيم
D	Electricity, gas, steam and air conditioning supply	11	4	10	6	9	45	85	إمدادات الكهرباء والغاز والبخار وتكييف الهواء	دال
E	Water supply; sewerage, waste management and remediation activities	1	0	2	9	34	257	303	امدادات المياه وانشطة الصرف الصحي وادارة النفايات ومعالجتها	هاء
F	Construction	8	11	62	108	183	474	846	الانشاءات	واو
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	14	39	242	677	3,194	76,394	80,560	تجارة الجملة والمفرد (التجزئة) واصلاح المركبات ذات المحركات والدراجات النارية	زاي
H	Transportation and storage	0	7	77	181	302	701	1,268	النقل والتخزين	حاء
I	Accommodation and food service activities	4	26	107	270	723	7,026	8,156	انشطة خدمات الاقامة والطعام	طاء
J	Information and communication	11	21	54	102	166	584	938	المعلومات والإتصالات	ياء
K	Financial and insurance activities	20	10	73	183	219	834	1,339	الانشطة المالية وأنشطة التأمين	كاف
L	Real estate activities	0	1	10	15	33	349	408	الأنشطة العقارية	لام
M	Professional, scientific and technical activities	1	3	38	122	506	4,208	4,878	الأنشطة المهنية والعلمية والتقنية	ميم
N	Administrative and support service activities	4	6	23	31	126	1,776	1,966	أنشطة الخدمات الادارية والخدمات المساندة	نون
O	Public administration and defence; compulsory social security	1	0	5	10	6	24	46	الإدارة العامة والدفاع والضمان الإجتماعي الالزامي	سين
P	Education	24	44	233	468	1,168	2,156	4,093	التعليم	عين
Q	Human health and social work activities	32	24	116	237	406	5,223	6,038	انشطة صحة الانسان والعمل الاجتماعي	فاء
R	Arts, entertainment and recreation	0	2	28	123	332	2,298	2,783	الفنون والترفيه والتسلية	صاد
S	Other service activities	1	15	104	210	554	12,715	13,599	انشطة الخدمات الأخرى	قاف
T	Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	0	0	0	0	0	1	1	أنشطة الأسر المعيشية التي تستخدم افراداً وانشطة الاسر المعيشية في انتاج سلع وخدمات لاستخدامها الخاص	راء
U	Activities of extraterritorial organizations and bodies	4	3	7	10	15	27	66	انشطة المنظمات والهيئات غير الإقليمية غير الخاضعة للولاية الوطنية	شين
	Not stated	0	0	0	0	3	45	48	غير مبين	
	Total	**165**	**297**	**1,631**	**3,839**	**10,847**	**130,087**	**146,866**	**المجموع**	

* Does not include Auxil. Activity Establishments

*لا يشمل منشآت النشاط المساند

جدول 26 (تابع): عدد المنشآت العاملة* في القطاع الخاص والقطاع الأهلي والشركات الحكومية في محافظة بيت لحم حسب النشاط الاقتصادي الرئيسي وفئات حجم العمالة، 2017

Table 26 (Cont.): Number of Operating Establishments* in the Private Sector, Non Governmental Organization Sector and Government Companies in Bethlehem Governorate by Main Economic Activity and Employment Size Group, 2017

ISIC	Economic Activity	Employment Size Group فئات حجم العمالة				المجموع Total	النشاط الاقتصادي	رمز النشاط
		+20	19-10	9-5	4-1			
85	Education	37	22	44	113	216	التعليم	85
Q	**Human health and social work activities**	**15**	**14**	**25**	**399**	**453**	**انشطة صحة الانسان والعمل الاجتماعي**	**قاف**
86	Human health activities	9	5	10	368	392	الأنشطة في مجال صحة الإنسان	86
87	Residential care activities	2	1	5	1	9	أنشطة الرعاية مع الاقامة	87
88	Social work activities without accommodation	4	8	10	30	52	أنشطة العمل الاجتماعي بدون إقامة	88
R	**Arts, entertainment and recreation**	**5**	**11**	**25**	**111**	**152**	**الفنون والترفيه والتسلية**	**صاد**
90	Creative, arts and entertainment activities	0	3	5	16	24	الانشطة الابداعية والفنون وانشطة الترفيه	90
91	Libraries, archives, museums and other cultural activities	1	4	2	8	15	أنشطة المكتبات والمحفوظات والمتاحف والأنشطة الثقافية الأخرى)	91
93	Sports activities and amusement and recreation activities	4	4	18	87	113	الانشطة الرياضية وانشطة الترفيه والتسلية	93
S	**Other service activities**	**3**	**12**	**36**	**663**	**714**	**انشطة الخدمات الأخرى**	**قاف**
94	Activities of membership organizations	3	11	22	88	124	أنشطة المنظمات ذات العضوية	94
95	Repair of computers and personal and household goods	0	1	0	102	103	إصلاح أجهزة الحاسوب والسلع الشخصية والمنزلية	95
96	Other personal service activities	0	0	14	473	487	أنشطة الخدمات الشخصية الأخرى	96
T	**Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use**	**0**	**0**	**0**	**0**	**0**	**أنشطة الأسر المعيشية التي تستخدم افراداً وانشطة الاسر المعيشية في انتاج سلع وخدمات لاستخدامها الخاص**	**راء**
97	Activities of households as employers of domestic personnel	0	0	0	0	0	أنشطة الاسر المعيشية التي تستخدم افراداً للعمل المنزلي	97
U	**Activities of extraterritorial organizations and bodies**	**1**	**0**	**0**	**2**	**3**	**انشطة المنظمات والهيئات غير الإقليمية غير الخاضعة للولاية الوطنية**	**شين**
99	Activities of extraterritorial organizations and bodies	1	0	0	2	3	انشطة المنظمات والهيئات التي تتجاوز الحدود الإقليمية غير الخاضعة للولاية الوطنية	99
	Not stated	**0**	**0**	**0**	**0**	**0**	**غير مبين**	
	Total	**186**	**272**	**649**	**7,287**	**8,394**	**المجموع**	

* Does not include Auxil. Activity Establishments

*لا يشمل منشآت النشاط المساند

Appendix 4: Arabic abstract

الملخص

تحسين الاستدامة للمشاريع الصغيرة والمتوسطة من خلال الحكم الجيد: أدلة من فلسطين

اعداد الطالب : قيس جمال محمود حسين

اشراف: الأستاذ الدكتور ابراهيم عوض

تتناول هذه الرسالة العلاقة بين ممارسات الحوكمة ونتائج الاستدامة في المؤسسات الصغيرة والمتوسطة (المشاريع الصغيرة والمتوسطة)، مع التركيز على السياق الفلسطيني. باستناد إلى استعراض شامل للمراجع والتحليل التجريبي، تدرس الدراسة تأثير العديد من أبعاد الحوكمة، بما في ذلك الشفافية والعدالة والاستقلالية والمسؤولية، على الاستدامة البيئية والاجتماعية والاقتصادية. باستخدام نهج مختلط، يتم إجراء تحليل البيانات الكمية باستخدام نمذجة المعادلات الهيكلية (SEM) في AMOS و SPSS، بالإضافة إلى الرؤى النوعية من المقابلات شبه المنظمة مع ممثلي المشاريع الصغيرة والمتوسطة.

تم اختيار عينة طبقية عشوائية من 210 مشروع صغير في بيت لحم للدراسة واستعادة 135 استبانة بنسبة 64.2% حيث ان الاستبانة هي الاداة الرئيسية لجمع البيانات.

تم استخدام تحليل العوامل التفسيرية وتحليل العوامل القابلة للتأكيد ونمذجة المعادلات الهيكلية وتحليل الانحدار لاختبار الفرضيات المقترحة وتحديد تأثير ممارسات الحوكمة الجيدة على تحقيق تحسين الاستدامة للمشاريع الصغيرة والمتوسطة في السياق الفلسطيني.

تؤكد نتائج الدراسة على الدور الهام لممارسات الحوكمة في تشكيل نتائج الاستدامة داخل المشاريع الصغيرة والمتوسطة. تكشف النتائج عن علاقة إيجابية بين الشفافية في الحوكمة وممارسات الاستدامة البيئية، مما يؤكد على أهمية العمليات المفتوحة والمسؤولة في اتخاذ القرارات. على نحو مماثل، يُظهر أن اتخاذ القرارات العادلة والمنصفة داخل المنظمات يرتبط إيجابيًا بتحسين الاستدامة الاجتماعية، مما يبرز أهمية العدالة والشمول في الأطر الحكومية.

ومع ذلك، تُحدد التحليلات أيضًا بعض الأبعاد الحكومية، مثل المسؤولية الاجتماعية، التي لم يتم تقديمها بشكل كاف في التحليل التجريبي باستخدام AMOS و SPSS

تُؤكد هذه القيود على الحاجة إلى إجراء بحوث مستقبلية لاستكشاف تأثير المسؤولية الاجتماعية في الحوكمة على نتائج الاستدامة في المشاريع الصغيرة والمتوسطة. علاوة على ذلك، تبرز الدراسة أهمية مراعاة العوامل السياقية، مثل التحديات الخاصة بالصناعات والديناميات الإقليمية، في فهم العلاقة بين الحوكمة والاستدامة.

الكلمات المفتاحية: الحوكمة, الاستدامة, المؤسسات المتوسطة وصغيرة الحجم