

CORPORATE GOVERNANCE AND ITS IMPACT ON CONTRIBUTING OF SUSTAINABLE DEVELOPMENT IN JORDAN

Dr Faraj Harahsheh,

Associate professor, Isra University – Jordan, faraj.harahsheh@iu.edu.jo

ABSTRACT

The aim of this paper was to reveal the impact of corporate governance on sustainable development in Jordan: field study on stakeholders in companies of King Abdullah II Industrial City. The main objective of this paper was to evaluate the impact of corporate governance, with its dimensions (fairness & justice, Disclosure & transparency, Accountability, Monitoring and follow-up), on sustainable development, with its dimensions of (economic development, social development, environmental development, and technological development). To achieve the study's objectives, a quantitative analytical approach was used, which included collecting data and information from stakeholders of companies operating in the King Abdullah II Industrial City in Jordan. A sample of (134) stakeholders from these companies was selected, and a questionnaire was distributed for this purpose. Statistical methods were used such as the arithmetic mean, standard deviation, and regression analysis.

The study revealed a positive impact of corporate governance on sustainable development in Jordan. The overall level of corporate governance was high, and the results indicated that the level of sustainable development was also high exception of the environmental development dimension was moderate. The monitoring and follow-up dimension achieved the highest level, followed by disclosure and transparency, then equity and justice, and finally accountability. Regarding the sustainable development dimension, a high level of achievement was observed. Analysis of the three sub-dimensions—economic, social, and technological—showed a high level, while the environmental development dimension was moderate. The study recommended increasing attention to positive environmental practices, raising environmental awareness, holding institutions that harm the environment accountable, ensuring compliance with environmental legislation and laws, focusing on social development aspects by providing job opportunities, reducing unemployment, improving wages, prioritizing the needs and interests of local communities and stakeholders, and strengthening practices in the economic and technological development dimensions.

Keywords: Corporate governance, sustainable development, Jordan

1. INTRIDUCTION

Corporate governance plays a vital role in sustainable development by building transparent and accountable institutions that balance economic, environmental and social dimensions, and contribute to enhancing trust, managing risks, and making optimal use of available resources efficiently with high transparency & accountability, and contributing to attract sustainable investments , achieving long-term growth instead of focusing on short-term profits. Corporate governance is a topic of great interest in both developed and developing countries. With the advent of globalization and the collapse of trade barriers to transfer of funds from countries,

there is increasing interest worldwide. The topic of development is gaining great importance, especially with regard to sustainable development, as a result of the challenges of human and environmental disasters, global warming, increasing population growth, poverty, and increasing desertification. (Takwasht,2020) (Afsharipour, 2021)

Achieving sustainable development has become an essential part of the strategy in companies seeking long-term success and competitive advantage, taking into account the social, economic, and environmental dimensions of countries and promoting societal well-being. Sustainable development is a fundamental requirement for the success of countries and businesses. Solely profits and financial revenues no longer measure success. This necessitates that companies adopt sustainable practices and fulfill their social responsibility to ensure an environmental, economic, and social balance that benefits communities. (Goranova,2025)

As a result of the environmental, social, and economic challenges and difficulties faced by many countries and companies, sustainable business strategies have become a key element in the long-term success of companies. The focus now includes achieving profitability alongside reducing environmental impact, achieving well-being, integrity, and social justice, and enhancing transparency in operations.

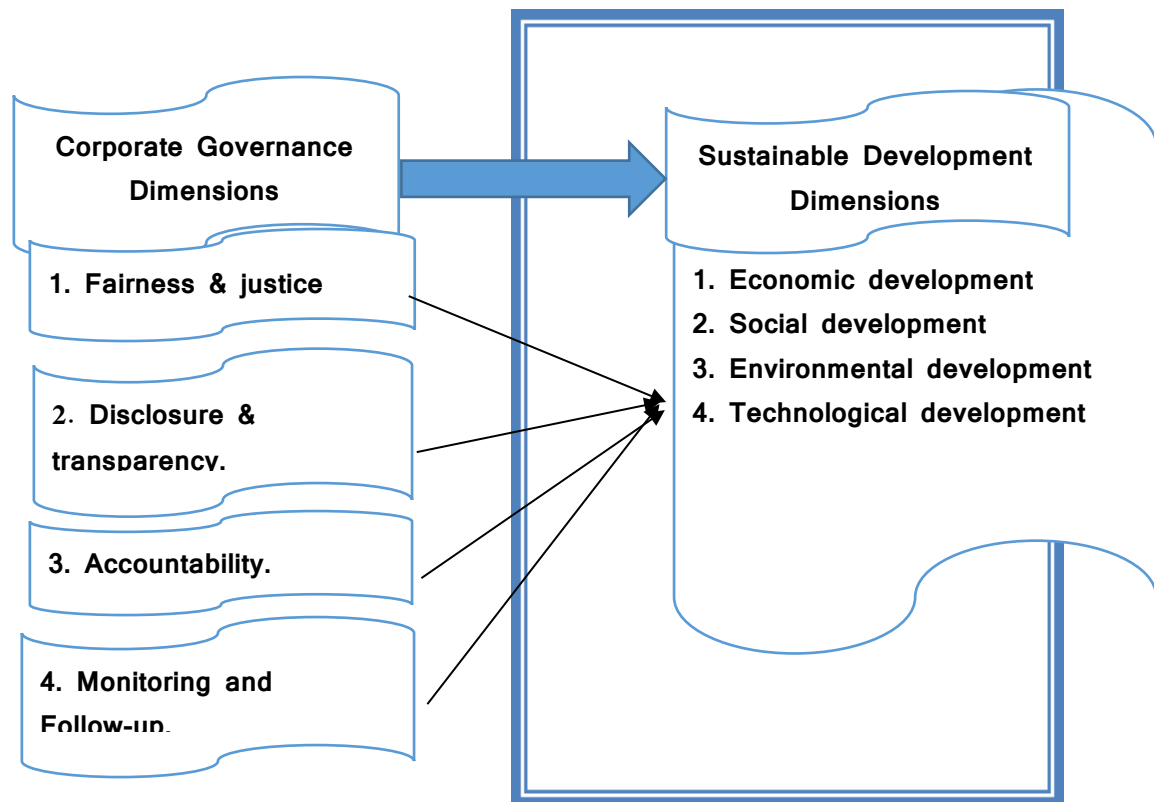
Corporate governance has social, economic, and environmental responsibilities and is a crucial element in achieving sustainable development. It contributes to balancing profitability with economic, social, and environmental sustainability, and enhances a company's reputation and its relationship with the community. Effective implementation of CSR requires a strategic approach that ensures a positive and sustainable impact on development. (Roxana Tunic, 2015) This research aims to investigate and identify corporate governance and its impact on sustainable development in Jordan: a field study on stakeholders in companies within the King Abdullah II Industrial City.

2. STUDY PROBLEM.

As a result of the multiple financial crises that have affected many countries, with their negative impact on the rights of shareholders and stakeholders, the loss of investor confidence, and the resulting detrimental effects on sustainable development in many developing countries, including Jordan, a 2010 study by the Organization for Economic Co-operation and Development (OECD) concluded that the primary cause of these successive crises was the failure of some companies to adhere to governance principles. As a means of preventing and mitigating these crises, the importance of implementing corporate governance has become increasingly prominent and a key topic of discussion in the economies of the world, particularly regarding its role in sustainable development (O'Donovan, 2011). Many developing countries, including Jordan, suffer from political, economic, and social challenges such as bureaucracy, weak governance, lack of transparency, high cost of living, and widespread poverty and unemployment. These factors play a significant role in the low level of sustainable development. Jordan is home to hundreds of large, medium, and small companies, especially those located in the King Abdullah II Industrial City. It is hoped that these companies will contribute to achieving sustainable development. Before conducting this study, and to ensure that it was worthy of research and investigation, I conducted an exploratory study with 15 stakeholders, including the local community, government, and employees, and asked them about the advantages and disadvantages of these companies' practices in relation to their impact

on society, the environment, and the economy. Some of the responses were conflicting, especially regarding the environmental, social, and developmental impact. Hence came the idea for the study, and the research problem is: What is the role of corporate governance in King Abdullah II Industrial City in contributing to sustainable development in Jordan?

3. STUDY MODEL.



4. LITERATURE REVIEW

4.1 Corporate Governance.

4.1.1 Concept of corporate governance. (C G) is defined as the framework through which companies are monitored, that is, the establishment of company objectives and the monitoring of their performance in light of those objectives. The quality of governance motivates the board of directors and executive management to achieve objectives that represent the interests of the company and its shareholders. Corporate governance defines the nature of the relationships between the company's management, its board of directors, its shareholders, and other stakeholders. It is the process through which managers and auditors fulfill their responsibilities to shareholders and a wide range of stakeholders within the company. (Anand, et al, 2026) (Cipullo,2026)

O'Donovan (2009) defines corporate governance as "the internal policies, encompassing systems, processes, and personnel, that serve the needs of shareholders and other stakeholders by objectively guiding and monitoring good management activities with accountability and integrity.

Corporate governance aims to achieve long-term strategic objectives to satisfy shareholders, creditors, employees, customers, and suppliers, while adhering to legal and regulatory requirements and meeting local environmental and social needs. (Afsharipour, 2021).

The positive impact of corporate governance is reflected on various stakeholders and strengthens the economy. Therefore, sound corporate governance is a tool for economic and social development, and corporate governance mechanisms and controls aim to mitigate shortcomings arising from ethical risks and poor choices. (Jahangir et al,2008) Corporate governance arose and developed as a result of loopholes in company operations and the laws governing their activities. These loopholes allowed management to exploit them for personal gain at the expense of the company and its shareholders, or to seize company assets in a manner contrary to its goals and objectives. This led to bankruptcies and financial insolvency for many companies, affecting thousands of shareholders and resulting in significant capital losses. The experiences of numerous organizations and countries have demonstrated that corporate governance is a fundamental aspect of sound and sustainable growth in the corporate sector, regardless of its size, activity, or the economic, social, and political environment in which it operates. (Boyd,et al,2026) (Hajar ,2016)

4.1.2 Objectives and Advantages of Corporate Governance

Interest

in corporate governance practices has recently increased due to problems arising from the misconduct of some company executives and concerns about managers abusing their positions in other companies. The benefits of good governance are not limited to avoiding problems; they also contribute to economic development, enhance administrative and financial performance, and support social welfare and legal protection (Cesario,Salam,2016) emphasized the role of corporate governance in achieving economic development and reducing the likelihood of financial crises. This is achieved by focusing on a number of performance standards that ensure the strengthening of the foundations and controls of economic markets and the reduction of corruption, manipulation, mismanagement, and bribery. The importance and benefits of corporate governance are evident in its supervisory and accounting aspects, as mentioned by Mikhail (2001,p.33) and Zakaria & Shams (2025) (Syafii, et al,2025)

- Reducing, eliminating, and preventing the recurrence of administrative and financial corruption in companies.

- Achieving integrity and ensuring impartiality and probity for all company employees at all levels, from the Board of Directors and executive management to the lowest-level position.

- Maximizing the benefits of accounting and internal control systems to ensure optimal resource utilization through efficient spending and linking expenditures to productivity, thereby reducing the cost of capital.

- Achieving the highest level of disclosure and transparency in financial reporting.

- Ensuring the effectiveness of internal and external auditors, guaranteeing their complete independence, and protecting them from pressure from the Board of Directors or executive management, thereby achieving fairness, ensuring transparency and equality, and improving the level of social and economic development.

- Maximizing and protecting shareholder interests by minimizing conflicts of authority and administrative objectives.

- Limiting the use of power and influence for purposes that do not serve the public interest and eliminating favoritism and nepotism.

- Protecting the company's interests and defining responsibilities and authorities in a way that strengthens internal control.

Encouraging local and foreign investment, creating new job opportunities, and maximizing profitability.

Ensuring oversight of financial performance through compliance with the provisions of the law.

4 1.3. Corporate governance dimensions

There are differences and variations in the dimensions of governance across business organizations and countries. Among the main dimensions are (Bashiti,2009), (Cooke, 2008)

-Transparency:

Transparency means the ability to access information quickly and without restrictions, and citizens have the right to know who makes decisions. It also involves empowering legislative authorities, civil society, media, and providing them with the necessary tools to monitor the government and identify instances of management, lack of trust, corruption, or bias against certain groups in society at the expense of others.

Accountability:

Accountability is a fundamental value in good governance. It means that all officials and decision-makers explain their actions to citizens and bear the consequences, whether they are public employees, ministers, legislators, or judges. Accountability is essential in the political process through which decision-makers and policymakers are selected and their actions are monitored.

Justice:

This principle refers to a system that defines the avenues citizens can pursue with the state to defend their rights and interests. It is based on a fair, impartial, and unbiased legal and judicial framework. An effective legal system with these qualities ensures equal treatment for all.

- **Disclosure** The companies disclose all financial and non-financial information that could influence the decisions of users of financial reports. It includes providing clear, comprehensive, and accurate information that helps investors, creditors, other users, and stakeholders understand the company's financial position, its financial and commercial transactions, and its operational activities.

-Monitoring &Follow-up :

Control is considered the final stage of the administrative process in organizations, in which work is monitored step by step, errors and deviations are corrected, and it is ensured that the work is carried out as planned to achieve the organization's goals.

4.2 Sustainable Development

4.2.1 Concept of sustainable development

Sustainable development is about ensuring that current needs are met without compromising the ability of future generations to meet their own needs, and achieving a balance between economic growth, environmental protection, and social inclusion. This is a response to global challenges such as climate change and resource depletion, taking into account environmental, social, and economic dimensions. (Mezentseva,et al,2025) Sustainable development, as defined by Webster, is development that utilizes natural resources without depleting or destroying them, either partially or completely. It aims to achieve economic growth that is compatible with the environment's capacity, based on the principles of economic development

and environmental conservation. Sustainable development seeks to improve the quality of human life without compromising the environment, utilizing natural resources and benefiting from renewable resources. The importance of sustainable development for current and future generations is paramount, ensuring that it does not harm the environment. (Agbenyo, et al, 2025). Sustainability is the practice of achieving goals without depleting limited resources or negatively impacting the lives of future generations. Sustainability is often referred to as having three pillars: economic sustainability, social sustainability, and environmental sustainability. All three pillars are crucial for any company striving for long-term success

4.2.2 Dimensions of Sustainable development

There are three main dimensions of sustainable development that aim to meet the needs of the present without compromising the ability of future generations to meet their own needs. These dimensions include.

- Economic dimension.

For advanced industrialized countries, sustainable development means a deep and continuous reduction in their consumption of energy and natural resources, and radical transformations in prevailing lifestyles. For poor countries, it means utilizing resources to raise the standard of living for the poorest segments of the population.

Human and Social Dimension:

Sustainable development aims to achieve stability in population growth and halt the influx of people into cities. By developing the level of health and education services in rural areas, meeting human needs, achieving social welfare, and maximizing popular participation, and achieving a high level of human well-being by increasing access to essential goods and services, and developing the level of health and education services in rural areas, meeting human needs and achieving social welfare.

- Environmental and

Technological Dimension:

Sustainable development allows for the optimal and rational use of agricultural land and water resources, leading to an increase in green spaces and better management of natural resources. Combating pollution, conserving non-renewable resources, and reducing environmental degradation by minimizing harmful gas emissions and adopting clean technologies in industrial facilities, in addition to addressing the phenomenon of global warming.

4.2.3 Corporate governance & sustainable development

Sustainable development can be implemented in several ways. If a company truly wants to achieve sustainability, it must commit to the pillars of sustainable development: economic, environmental, social, and technological. A company's commitment to these dimensions is crucial for achieving sustainable development in all areas. On the social side, the company must pay close attention to improve human resource management and promoting health, safety, and environmental well-being to ensure a suitable and comfortable work environment for its employees and achieve safe working conditions while maintaining the company's profitability. Corporate governance can help provide the necessary guidance for successfully implementing the pillars of sustainability. As for achieving economic sustainability, this is done through the optimal use of renewable resources and environmentally friendly resources that preserve financial resources and maintain high-volume production. If economic sustainability is

successful, it will positively impact the achievement of environmental and social sustainability. Regarding technological sustainability, the use and integration of modern technology into company operations has become an important requirement. It achieves quality, speed, on-time delivery, and reduced costs, thus positively impacting the company's success and competitiveness. Therefore, corporate governance is essential for achieving sustainable development. (Takwasht, 2020)

5.MOTHODS & PROCEDURES .

5.1 Study Methodology: To achieve the objectives of the current research, the Analytical descriptive method was followed, which is the method that relies on studying the phenomenon as it exists in reality and is concerned with describing it accurately and expressing it qualitatively or quantitatively.

5.2 Study population: The study population consisted of stakeholders in the companies of King Abdullah Industrial City, 2026.

5.3 Exploratory study sample and sampling methodology: Before applying the study tools to the main sample, they were applied to an exploratory sample that was randomly selected from (15) stakeholders in companies, in order to verify the validity, reliability and suitability of the tool for application.

5.4 Study Sample: After defining the study population, the researcher selected a representative, targeted sample of (134) stakeholders, distributed as follows: (Government 21, Employees 20, Suppliers 18, Local Community 24, Shareholders 12, Creditors 16, Customers 22), as shown in Table 1.

Table 1

Distribution of study sample individuals

variable		Frequency	Percent
Gender	Male	106	79.1%
	Female	28	20.9%
Age	Less than 30	28	20.9%
	From 30 to less than 40	40	29.9%
	From 40 to less than 50	46	34.3%
	50 years and older	20	14.9%
Stakeholders	Government	21	16.4%
	Employees	20	14.9%
	Suppliers	18	13.4%
	Local Community	24	17.9%
	Shareholders	12	9.0%
	Creditors	16	11.9%
	Customers	22	16.4%
Educational level	Diploma or less	34	25.4%
	Bachelor's	66	49.3%
	Postgraduate studies	34	25.4%
Total		134	100%

Research Instruments: To achieve the study's objectives and answer its questions, a research instrument was developed consisting of two axes. The first axis, the independent variable,

"Corporate Governance and its Dimensions," comprised 19 items distributed across four dimensions:

- Fairness & justice (5 items).
- Disclosure and transparency (4 items).
- Accountability (5 items).
- Monitoring & Follow-up (5 items).

The second axis, the dependent variable, Sustainable development, comprised 21 items distributed across four dimensions:

- Economic Development (5 items).
- Social Development (5 items).
- Environmental Development (5 items).
- Technological Development (6 items).

5.5 Verifying the validity of the tool for application:

The procedures used to verify the validity and reliability of the study tool included:

A) Apparent validity was verified by presenting the study tools to five arbitrators who are faculty members in Jordan's public and private universities to obtain their opinions about how valid the tool is for application. Further verification included identifying the degree to which each item belongs to the axis it associates with, and the clarity and linguistic integrity of each item. The agreement rate (80%) between the arbitrators was relied upon to keep, delete or modify the Item. Accordingly, the wording of some items was altered, and some items were deleted.

The researcher evaluated the construct validity of each of the measures used in this study by administering them to a survey sample of 30 stakeholders in the companies operating in King Abdullah Industrial City, comprising both males and females. Correlation coefficients between each Item score and the total score of the associated Scale were calculated. The results of these correlation coefficients are reported below.

Table 1

Correlation coefficients of item scores with the total score of the Study Tool and his dimensions

NO	Correlation with dimension	Correlation with axis	NO	Correlation with dimension	Correlation with axis	NO	Correlation with dimension	Correlation with axis	NO	Correlation with dimension	Correlation with axis
1	.656**	.578	11	.507**	.458	21	.686	.338	31	.851	.366
2	.539**	.505	12	.620**	.592	22	.442	.371	32	.844	.686
3	.605**	.609	13	.655**	.560	23	.452	.788	33	.472	.345
4	.668**	.536	14	.484**	.360	24	.364	.500	34	.379	.498

5	.391**	.398		.513**	.361	.599	.648	.563	.457
	**		15	**		**	**	**	**
6	.535**	.343		.723**	.658	.803	.585	.516	.833
	**		16	**		**	**	**	**
7	.446**	.409		.444**	.249	.788	.678	.417	.446
	**		17	*		**	**	**	**
8	.615**	.434		.710**	.517	.810	.626	.602**	.791
	**		18	**		**	**		**
9	.497**	.446		.544**	.465	.391	.584	.437	.831
	**		19	**		**	**	**	**
10	.615**	.443		.510**	.454**	.366	.679	.803	.800
	**		20			**	**	**	**

It is clear from Table 2 that the correlation coefficients of the scores of the study tool items with the scale scores and their dimensions ranged between (0.343-0.851). All correlations were statistically significant at the 0.01 level.

5.6 Reliability

The reliability of the study instrument was assessed using Cronbach's alpha coefficient and the split-half method. The analysis was conducted on a pilot sample of 30 stakeholders in the companies operating in King Abdullah Industrial City, comprising both males and females. The results are presented in Table 3.

Table 2

Reliability coefficients of the study tools

NO	axis	Domain	Item NO	Cronbach's alpha	split-half
1	Corporate Governance	Fairness & justice	5	0.902	0.738
2		Disclosure and transparency	4	0.962	0.922
3		Accountability	5	0.922	0.836
4		Monitoring & Follow-up	5	0.924	0.825
5	Sustainable development	Economic Development	5	0.857	0.796
6		Social Development	5	0.914	0.876
7		Environmental Development	5	0.876	0.794
8		Technological Development	6	0.878	0.784

Table 3 shows that Cronbach's alpha coefficient for the Fairness & justice dimension was 0.902, while the split-half reliability coefficient was 0.738. Similarly, Cronbach's alpha coefficient for the Disclosure and transparency dimension was 0.962, while the split-half reliability coefficient was 0.922. In addition, Cronbach's alpha coefficient for the Accountability dimension was 0.922, while the split-half reliability coefficient was 0.836.

Finally, Cronbach's alpha coefficient for the Monitoring & Follow-up dimension was 0.924, while the split-half reliability coefficient was 0.825. It was also Cronbach's alpha coefficient for the Economic Development dimension, which was 0.857, while the split-half reliability coefficient was 0.796. Similarly, Cronbach's alpha coefficient for the Social Development dimension was 0.914, while the split-half reliability coefficient was 0.876. In addition, Cronbach's alpha coefficient for the Environmental Development dimension was 0.876, while the split-half reliability coefficient was 0.794. Finally, Cronbach's alpha coefficient for the Technological Development dimension was 0.878, while the split-half reliability coefficient was 0.784. Since all values were above the acceptable level of 0.65, the instrument was considered stable and suitable for use, consistent with the study by Oda (2022)

6. STUDY RESULTS.

Before starting to test the study hypotheses, the arithmetic means and standard deviations of the responses of the study sample on the axes and dimensions of the study Tool were calculated as follows:

Table 3

Descriptive Statistics of the responses of the study sample on the axes and dimensions of the study Tool

variables	N	Mean	Std.	Variance
			Deviation	
Fairness & justice	67	4.2418	.32574	.106
Disclosure and transparency	67	4.2425	.26817	.072
Accountability	67	4.2231	.30567	.093
Monitoring & Follow-up	67	4.2522	.26118	.068
Corporate Governance	67	4.2409	.23754	.056
Economic Development	67	4.2209	.28313	.080
Social Development	67	3.7254	.71167	.506
Environmental Development	67	3.5149	.71990	.518
Technological Development	67	4.1274	.32845	.108
Sustainable development	67	3.9093	.27921	.078

The results in the table 1 indicate that the study participants' average responses were generally in the high range according to the study's interpretation criteria (1.00–2.33 low, 2.34–3.67 medium, 3.68–5.00 high).

At the level of Corporate Governance, the overall mean score for this axis was 4.2409 with a standard deviation of 0.23754, indicating a high level of implementation of corporate governance practices within the organization under study. All sub-dimensions of the axis were also found to be at a high level, with the Monitoring & Follow-up dimension achieving the highest mean score of 4.2522 (standard deviation 0.26118), followed by Disclosure and

Transparency (mean 4.2425, standard deviation 0.26817), Fairness and Justice (mean 4.2418, standard deviation 0.32574), and finally Accountability (mean 4.2231, standard deviation 0.30567). These results indicate a high and consistent level of awareness among the sample regarding corporate governance practices across its various dimensions, further supported by the relatively low standard deviations, which reflect a high degree of agreement among the sample.

Regarding the Sustainable Development axis, the overall arithmetic mean was 3.9093 with a standard deviation of 0.27921, indicating a generally high level of achievement in sustainable development. Analysis of the axis's sub-dimensions revealed that Economic Development achieved a mean of 4.2209 with a standard deviation of 0.28313, Technological Development a mean of 4.1274 with a standard deviation of 0.32845, and Social Development a mean of 3.7254 with a standard deviation of 0.71167—all falling within the high level. In contrast, Environmental development recorded a mean of 3.5149 and a standard deviation of 0.71990, placing it at a medium level according to the adopted interpretation criteria.

These results indicate that the economic and technological dimensions represent the most prominent aspects of sustainable development within the organization, followed by the social dimension, which maintained a high level, albeit close to the lower end of the threshold. The environmental dimension, however, received the lowest rating compared to the other dimensions, suggesting the potential for strengthening environmental initiatives and practices to achieve a greater balance among the various dimensions of sustainable development. Furthermore, the high standard deviation in the social and environmental dimensions compared to the other dimensions reflects a greater divergence in the opinions of the sample regarding these two dimensions, while responses related to the other dimensions were characterized by a higher degree of homogeneity and agreement.

Testing hypothesis

The main hypothesis is: There is no impact of corporate governance, with its dimensions (fairness & justice, Disclosure & transparency, Accountability, Monitoring and follow-up), on sustainable development, with its dimensions of (economic development, social development, environmental development, and technological development) in Jordan.

To test this hypothesis, the following sub-hypotheses were derived.

The following sub-hypotheses are

1: There is no impact of corporate governance, with its dimensions of (fairness & justice, Disclosure & transparency, Accountability, Monitoring and follow-up), on economic development.

To test this hypothesis, the analysis of variance (ANOVA) test was used. As follows:

Table 4

To test the impact of corporate governance, with its dimensions of fairness & justice, Disclosure & transparency, Accountability, Monitoring and follow-up, on economic development.

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
--------	----------------------------	----	-------------	---	------

Corrected Model	4.011 ^a	25	.160	5.141	.000
Intercept	98.064	1	98.064	3142.351	.000
Fairness & justice	1.039	7	.148	4.756	.001
Disclosure and transparency	.306	5	.061	1.964	.105
Accountability	.286	7	.041	1.307	.271
Monitoring & Follow-up	.751	6	.125	4.010	.003
Error	1.279	41	.031		
Total	1198.960	67			
Corrected Total	5.291	66			

a. R Squared = .758 (Adjusted R Squared = .611)

The results in Table 4 indicate a significant impact of the combined dimensions of corporate governance on economic development. At the level of individual dimensions, Fairness & justice and Monitoring & Follow-up showed a statistically significant impact on economic development, while Disclosure and transparency, and accountability did not show a significant impact at the 0.05 level. Furthermore, the model has good explanatory power, accounting for approximately 75.8% of the variance in economic development.

2: There is no impact of corporate governance, with its dimensions of (fairness & justice, Disclosure & transparency, Accountability, Monitoring and follow-up), on social development.

To test this hypothesis, the analysis of variance (ANOVA) test was used. As follows:

Table 5

To test the impact of corporate governance, with its dimensions of fairness & justice, Disclosure & transparency, Accountability, Monitoring and follow-up, on social development.

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	27.256	25	1.090	7.244	.000
Intercept	73.025	1	73.025	485.182	.000
Fairness & justice	2.431	7	.347	2.308	.044
Disclosure and transparency	1.340	5	.268	1.781	.138
Accountability	.620	7	.089	.588	.762
Monitoring & Follow-up	2.488	6	.415	2.755	.024
Error	6.171	41	.151		
Total	963.280	67			

Corrected Total 33.427 66

a. R Squared = .815 (Adjusted R Squared = .703)

The results in Table 5 indicate a significant impact of the combined dimensions of corporate governance on social development. At the level of individual dimensions, Fairness & justice and Monitoring & Follow-up showed a statistically significant impact on economic development, while Disclosure and transparency, and accountability did not show a significant impact at the 0.05 level. Furthermore, the model has good explanatory power, accounting for approximately 81.5% of the variance in social development.

3: There is no impact of corporate governance, with its dimensions of (fairness & justice, Disclosure & transparency, Accountability, Monitoring and follow-up), on environmental development.

To test this hypothesis, the analysis of variance (ANOVA) test was used. As follows:

Table 6

To test the impact of corporate governance, with its dimensions of fairness & justice, Disclosure & transparency, Accountability, Monitoring and follow-up, on environmental development.

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	18.402a	25	.736	1.910	.032
Intercept	76.118	1	76.118	197.489	.000
Fairness & justice	6.127	7	.875	2.271	.047
Disclosure and transparency	1.207	5	.241	.626	.681
Accountability	.666	7	.095	.247	.970
Monitoring & Follow-up	4.102	6	.684	1.774	.129
Error	15.803	41	.385		
Total	861.970	67			
Corrected Total	34.205	66			

a. R Squared = .538 (Adjusted R Squared = .256)

The results in Table 6 indicate a significant impact of the combined dimensions of corporate governance on environmental development. At the level of individual dimensions, Fairness & justice and Monitoring had a statistically significant impact on economic development, while Disclosure and transparency, and accountability & Follow-up did not show a significant impact at the 0.05 level. Furthermore, the model has good explanatory power, accounting for approximately 53.8% of the variance in environmental development.

4: There is no impact of corporate governance in its dimensions (fairness & justice, Disclosure & transparency, Accountability, Monitoring and Follow-up) on technological development.

To test this hypothesis, the analysis of variance (ANOVA) test was used. As follows:

Table 7

To test the impact of corporate governance, with its dimensions of fairness & justice, Disclosure & transparency, Accountability, Monitoring and follow-up, on technological development.

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	4.070	25	.163	2.188	.013
Intercept	89.542	1	89.542	1203.652	.000
Fairness & justice	1.126	7	.161	2.162	.058
Disclosure and transparency	.429	5	.086	1.153	.348
Accountability	.687	7	.098	1.319	.266
Monitoring & Follow-up	.194	6	.032	.436	.851
Error	3.050	41	.074		
Total	1148.473	67			
Corrected Total	7.120	66			

a. R Squared = .538 (Adjusted R Squared = .256)

The results in Table 7 indicate that the dimensions of corporate governance, taken together, significantly influence technological development, with the overall model showing statistical significance ($F = 2.188$, $\text{Sig.} = 0.013$). However, analysis of the dimensions separately revealed that none of the four dimensions achieved statistical significance at the 0.05 level, although the Fairness & justice dimension approached the significance level ($\text{Sig.} = 0.058$). The results also showed that corporate governance explains 53.8% of the variance in technologic

al development, while this percentage drops to 25.6% when using the adjusted coefficient of determination. Therefore, it can be concluded that the significant impact is at the level of corporate governance as a whole, and not through any single dimension acting independently.

7. CONCLUSION

The main objective of this research is to demonstrate and evaluate the impact of corporate governance, with its dimensions of equity and justice, disclosure and transparency, accountability, and monitoring and follow-up, on sustainable development in its dimensions of economic, social, environmental, and technological development, field study on stakeholders in companies in King Abdullah II Industrial City - Jordan. The study aims to provide a comprehensive understanding of the extent to which the dimensions of corporate governance contribute to sustainable development in Jordan. To achieve the study's objectives, a quantitative analytical approach was used, which included collecting data and information from stakeholders in companies. The results of the study revealed a statistically significant positive impact of corporate governance on sustainable development, also showed that the level of corporate governance dimensions was high, and the level of sustainable development

dimensions was high, exception of the environmental development dimension, which was moderate. The study recommends raising environmental awareness, accountability companies and institutions that harm the environment, ensuring compliance with environmental legislation and laws, focusing on aspects of social development by providing job opportunities, reducing unemployment, meeting the needs and interests of local communities and stakeholders, and promoting best practices in the economic, social, and technological development dimensions.

Acknowledgments

The researcher would like to express his appreciation to the companies in King Abdullah II Industrial City, the stakeholders, and Al-Isra University, Jordan, for providing support and assistance in completing this research.

References

- Anand, Huan, Pathak Agbenyo Wonder, Jiang Yuansheng, Xu Huidan, Chandio Abbas Ali (2025) *Digital Inclusive Finance and Farmer Entrepreneurship: Pathways to Sustainable Development in Rural Ghana, sustainable development*, Volume 34, Issue 1, <https://doi.org/10.1002/sd.70251>. -
- Afsharipour, Afar (2021) *Comparative corporate governance*, Edward Elgar Publishing Limited, Cheltenham, UK -
- Boyd, Brian K., Post, Corinne, Solarino, Angelo M. (2026) *Moving Forward by Looking Back: Synthesizing Extant Corporate Governance Knowledge, Corporate Governance: An International Review*, <https://doi.org/10.1111/corg.70027>. -
- Bashiti, Lubna, S; Rabadi, Aram (2009) Y: "Assessing Corporate Governance in: Jordan", Arab Bank Review, Vol. 8, No. 1, p: 37-5.
- Cipullo Nadia (2026) *Editorial: From recognition to integration in corporate governance and sustainability*, Corporate Governance and Sustainability Review / Volume 10, issue 3.
- Cesario Mateus Salam Belhadj (2016). *corporate governance impact on bank performance evidence from Europe*. corporate ownership control. 4(13)
- Filloreta Madani, Oltiana Muharremi, Drinlon Madani, Migena Petanaj (2026) *Beyond pay: Employee motivation, work engagement, and job satisfaction in sustainable corporate governance*, Corporate Governance and Sustainability Review / Volume 10, issue.
- Goranova maria (2025) *Common Ownership Research: Implications for Corporate Governance*, Corporate Governance: An International Review Volume 33, Issue 63.
- Hajer Chenin J. A. (2016). *Analysis of the impact of governance on bank performance case of commercial Tunisian banks*, Cross mark journal.
- Jahangir Alam Saeed, Alamgir Jafar Sawlat, Hilmi Zaman (2008) *A Conceptual Review on Corporate Governance and its Effect on Firm's Performance: Bangladesh Perspective* Homayara Latifa Ahmed Md. Office of Research and Publications (ORP) American International University-Bangladesh (AIUB) 2026 -K
- *Readability and Shareholder Proposals on Corporate Governance*, Corporate governance An international review, <https://doi.org/10.1111/corg.12658>.
- Mezentseva Elena, Baysaeva Malika, Fayzullaev Nurulla (2024) *The impact sustainable development on economic growth: balancing environment, social and economic factors*, Special Issue № 6 (81), Part-3, Volume 19, December 2024. -

- [O'Donovan](#), Gabrielle (2009) **A Board Culture of Corporate Governance**, Open Library, OL23136259M. -
- Rocsana Toniş,(2015) ***SMEs Role in Achieving Sustainable Development***. Journal of Economic Development, Environment and People Volume 4, Issue 1. - Takwasht,
- Rania (2020) ***The Role of Corporate Governance in Achieving Sustainable Development***, Al-Rased Al-Ilmi Journal, Volume 7, Issue 2, Oran, Algeria. Haniffa a ‘
- R. M., T.E. Cooke, (2008) ***The impact of culture and governance on corporate social reporting***,Journal of Accounting and : Public Policy 24, 2005 -
- Syafii , Grahita Chandrarin, Diana Zuhroh (2025)***The influence of tax planning and corporate social responsibility against tax disclosure***, Corporate Governance and Sustainability Review / Volume 9, Issue 1. -
- Takwasht, Rania (2020) ***The Role of Corporate Governance in Achieving Sustainable Development***, Al-Rased Al-Ilmi Journal, Volume 7, Number 2
- .