

THE ROLE OF COMMERCIAL BANKS IN ESTABLISHING THE PRINCIPLES OF SOCIAL RESPONSIBILITY

(A case study of Jordon Arab Bank, 2015)

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Abstract

This research addressed the issues of Commercial Banks and their roles in incorporating and establishing Social Responsibility (SR) (a case study of Jordan's Arab Bank as a Commercial Bank). It elucidated the concept of the commercial bank, its functions and features as well as explaining the concept of social responsibilities and its significance for the community. It investigated and evaluated the social contributions of Jordan's Arab Bank (JAB) during the year 2015. The main affirmative result of this research showed that there is a positive correlation between the social response, and economic and financial performance of commercial banks. This assures that establishing commercial banks boost (SR) and improve the performance of the bank, financially, economically, and socially. The findings of this study indicated that the AJB paid a considerable attention to consolidating the foundations of the (SR) in the Jordanian community by offering many necessary and vital services such as health and education services, the preservation of environment, fight against poverty and orphans support. These services qualified JAB to win Jordanian agents and community's trust. Finally, the services contributed to JAB expansion and development, together with obtaining the best award for the program of (SR) in 2015 from the EMEA finance magazine.

Keywords: Commercial Banks; social responsibilities; Jordon's Arab Bank.

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1. Introduction

Commercial banks are the main themes of the economic structure of any country and have great responsibilities to the communities. However, they encounter huge challenges represented in rapidly growing activities and fluctuating environments. Accordingly, their roles are no longer conventional ones, but also modern ones that extended to social activities. The goal of the banks is no longer limited to maximizing profits, but it exceeded these limits to involve the obligation to tackle social problems. These new insights encouraged the researchers to assess social performance of commercial banks.

(SR) is one aspect of social life. It is the medium of community development and links community institutions together. Its function is to promote social values (the fight against poverty, the development of education, health care, environmental protection, distribution of wealth, and the spreading of social justice). When institutions play its significant role in societies, this ensures the contribution of everyone to meet the needs of human life and produces development of a charitable nature. Thus, the individual value in society is measured by the (SR) towards oneself and others. The commercial banks are one of these institutions that offer (SR) in several areas to meet their obligations towards their community. ⁽¹⁾

Therefore, the research attempts to highlight the role of commercial banks in establishing the foundations of (SR) (A case study of Jordan Arab Bank) to see which role played by these banks towards their societies and its reflection on community life.

2. Study problem:

The commercial banks are the fundamental of economic institutions in any community, and have many deposits and savings, which flow in form of credits and loans to various sectors leading to the achievement of progress and economic development. They are also the channel through which local and foreign money, in its various forms flows, and they have a multi-dimensional effect on the investment, financing structure and the financial stability and monetary conditions of the national economy.

Commercial banks encounter many challenges; progress and expansion and development of communities beside the increasing needs of these communities. These increasing needs lead to deliberate and join efforts to meet them. In other words, the responsibilities of these banks are to meet the economic, educational, health, environmental and social needs of these communities.

From the above mentioned, the problem can be formulated by the following question:

Do the commercial banks of Jordan (Arab Bank of Jordan) consolidate the fundamentals of social responsibility by providing vital social services to Jordanian society?

3. The significance of the study:

At the modern time, commercial banks have increasingly become important and reliable, fundamental pillars in the development of various sectors in the national economy. Social responsibility is essentially fundamental for many banks due to its positive impact on improving the living standard of community members, protecting the environment from pollution, the spread of diseases and improving health and education services. These banks also are aware that the community's trust is prevailed by providing community services. Therefore, commercial banks have tended to include social responsibility as a pivotal factor in its social and economic programs.

This research is significant due to the need to consolidate the fundamentals of social responsibility in many commercial banks to cope with the problems faced by their communities, particularly the problem of poverty and environmental pollution, unemployment and low level of education and health services and increasing people with special needs.

4.Objectives of the study

This research seeks to achieve the following objectives.

- 1) Recognizing the concept of commercial banks and their functions and characteristics.
- 2) Investigating the social role played by commercial banks.
- 3) Identifying the role of the Jordanian Arab Bank in providing community services for Jordanian communities.
- 4) Offering some suggestions to help develop the social responsibility program of the Jordan Arab Bank and other commercial banks.

5. Hypotheses of the study:

- 1) Social responsibility influences commercial banks' performance economically, socially and financially.
- 2) The Jordanian Arab Bank cares about consolidating the social responsibility of the Jordanian community by introducing many necessary community services.
- 3) The social services provided by the Jordan Arab Bank for communities enable the bank to win society and clients' trust on the products and enhance its progress and development.

6. Methodology of the research:

This research will adopt the descriptive and analytical approach. It deals with the establishment of commercial banks through identification of the concept of commercial banks and their functions and characteristics. Additionally, it identifies the concept of social responsibility and its importance. Then it describes and analyses the Jordanian Arab Bank of communal services to Jordanian society, and finally comes up with some conclusions and recommendations.

7. Previous Studies:

The researchers reviewed many previous studies pertaining to this field of study and the most important of them are as follows:

7.1 Saleh, (2001), Taher and Ameri, Ghabi Study: ⁽²⁾

This study aims to identify the positive correlation between social responsibility and transparency of information systems at Jordanian commercial banks. The study concluded that:

- Institutions are required to recognize the importance of social responsibility and to be aware of the new role to be played in the light of the global economic system.
- The target sample showed that most of the banks displayed medium transparency information systems.
- Ways of social responsibility in the Jordan commercial bank balances between economic commitments and the requirements of society. The study recommended that banks are required to increase awareness of the important departments and the role played by social responsibility in achieving progress and prosperity (social and economical).

7.2 Zeud, Abd Alnasir's study (2013) ⁽³⁾

This study dealt with the social responsibilities in Jordanian banks during the years (2008- 2010). It concluded that the social responsibility was not a part of banks' plans and policies to achieve sustainable development. Concerning the employees of the banks, there are some shortcomings regarding the amounts spent them, lack of training and software development. The study recommended that awareness of (SR) should be increased and a system of incentives in banks should be developed. Finally, there should be clear criteria and standards to support your beneficiaries.

7.3 Zaghbi, A. Study (2011) ⁽⁴⁾

This study highlighted the role Palestine private sector in consolidating social responsibilities. It showed that there are many definitions for the social responsibility concept and only one has been identified as a comprehensive one. It also concluded that the studies and information should be provided to describe the actual needs of societies and provide infrastructures to facilitate the establishment of social responsibilities. Moreover, it demonstrated the role of the media to direct the attention and awareness and spread the culture of social responsibility. Eventually, **the** authorities should facilitate procedures associated with the performance of companies and institutions to consider social responsibility.

7.4 Sawi, Hafiz study (2010) ⁽⁵⁾

This study addressed the social responsibilities of Islamic banks, its nature and goals. It showed that the Islamic bank's commitment to social responsibility, its consequences and requirements are permitted and it is regarded as a moral devotional duty toward communities that practice social responsibilities. This may be promoted to commit the moral devotional duty. The practical framework of (SR) is comprised of four categories: shareholders, employees, clients, and communities. Finally, the study addressed the role of Islamic banks in developing banking products in line with their role to steer the economy in society, and in response to customers' needs, which is the source of innovation and creativity.

7.5 Barakat, Mohammed Ibrahim study (2007) ⁽⁶⁾

This study revealed the financial transactions risks pertaining to money laundering in commercial banks in the light of social responsibility services. The study concluded with many findings. The main findings are as follows:

- Banks are assessed through performance of social responsibility, which are based on money laundering transactions, reflect the performance the banks towards members of the community, and increases its trust.
- By keeping and preserving the environment clean, the bank could win the trust of the community. This leads to its expansion, spread and make it work on the solid foundation that qualifies the bank to weather the globalization current.

8. The commercial banks and their functions

Commercial banks are the intermediary financial institutions that seek to make profits through its acceptance of deposits of individuals, institutions and investing these deposits in the provision of loans and credit facilities. These depository institutions are known Depository Institutes, one of the most important financial institutions that are working to mobilize national savings units' surplus, and re-injected into the economy in the form of long-term and short-term loans to finance investment and consumer activities units' deficits that are willing to spend more than their incomes.⁽⁷⁾

Commercial banks have derived its name from providing short-term loans to clients at the beginning of the establishment. They are the oldest banks in the world. With the development of commercial and industrial activity increased importance of bank financing for these activities with long and medium-term loans, especially in the field of investment as well as foreign trade financing operations.

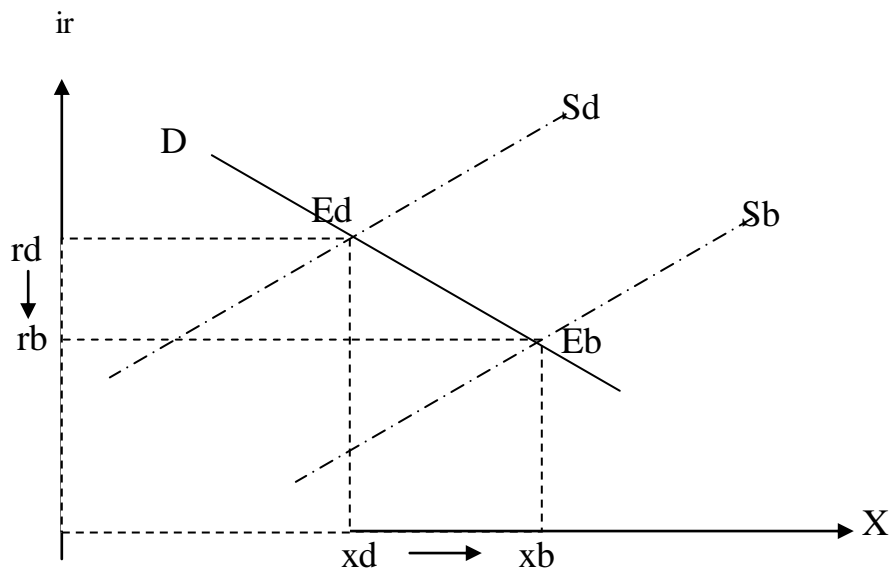
Commercial banks are sometimes called deposits banks because they depend on deposit money. Therefore, when relending these funds, they have been traded with money not owned by the bank. The most important thing that distinguishes these banks now is that the banks are working together to offer loans worth more value of the funds deposited. This process, which is the most important functions of commercial banks, is known as creating deposits or money creation.⁽⁸⁾

The main functions of commercial banks:

A) The function of intermediary: to intermediate between lenders and borrowers to collect savings and financial surpluses and put them within the reach of individuals and enterprises wishing to borrow, not commercial banks differ in doing this role for non-commercial banks and other financial institutions, which are called financial intermediaries.

Both the lender and the borrower benefit in case of financial intermediation from economies of scale and the pros of risk distribution. This case contributes to reduce the cost to the borrower and the bank obtains a reasonable profit margin. The following figure perfectly illustrates the role of financial intermediation in reducing costs and increasing lending and therefore increasing investment, which remains the most important costs of interest rate.

Fig (1): financial of intermediary economics



Source: Mansori, Abdul Kareem (2010:16).

D: Demand for loans.

SD: showing savings without financial intermediation.

sb: showing savings with financial intermediation.

i: The cost of loans for the borrower.

r: Interest rate for savers

The above figure shows that the interest rate (ir) is associated with the demand for loans (D), with an inverse relationship, whereas it is associated with linear relationship with saving (S). So that the balance point (E_d) in the absence of a financial intermediation that taken from interest rate (rd) and take (xd) from loans to change its coordinates in case of financial intermediation to reflect the lower cost of investment from (rd) to (rb) and loans to the community increase from (xd) to (xb). Thus, a meditation in the economy occurs to assist various economists.

B) The function of money-creation:

The creation of money is more essential, has a more influential function than the first function of an intermediary. Moreover, the major characteristic distinguishes the commercial banks from other financial institutions and intermediaries. Money-creation means the possibility of the bank to bring its pledge to pay the actual money to replace the granted loans. Thus, the bank creates the payment means to pay to replace for money, which is the customer's ability to deal with those means, which is in written form, such as check, accepted by others in transactions. ⁽⁹⁾

C) Non-conventional (modern) functions:

The view of commercial banks had changed from merely financial institutions that assemble funds and loans to institutions established to perform valuable services to the community to ensure stability, expansion, prosperity and obtaining profits. Proceeding from the above, the commercial banks seek to provide distinctive and modern services for its clients. The following are the most prominent services: ⁽¹⁰⁾

- 1- Providing consultation services to clients.
- 2- Contribution to the financing of development projects.
- 3- Issuance of credit cards.
- 4- Personal Housing finance.
- 5- Collection and payment on behalf of others.
- 6- Issuance of letters of guarantee.
- 7- Rent Lockers for clients
- 8- Foreign currency exchange
- 9- Funding travel and tourism expenses, travelers' checks and personal credits.
- 10- Computer services

11- Purchasing and selling of shares and stock exchange.

9. Properties of Commercial banks:

The properties of commercial banks can be studied according to several criteria: in terms of the size of the bank, the market served by the bank, and the various administrative regulations adopted by the bank ... Etc.⁽¹¹⁾

The research will focus on the following properties, which are more accurate and comprehensive:⁽¹²⁾

1- First property:

Commercial banks are affected by the central bank's control, but they do not influence the central bank. Central Bank has control over the commercial banks through a system intended for that purpose, while the combined commercial banks do not control or influence the central bank.

2- The second property: commercial banks are several but there is only one Central Bank.

Commercial banks are numerous and vary depending on the credit market needs of a country, but the Central Bank is usually one. Nevertheless, the numerous commercial banks in contemporary economies of capitalism do not impede the general trend towards concentration and achieve some kind of understanding and strategic alliances. This concentration would create huge banking units capable of extensive funding and control of monopoly on the money and capital markets. However, this concentration has not yet reached the stage where we can imagine one commercial bank in a country.

3- The third property:

Unlike legal money, banking money is produced by commercial banks whereas the legal one is produced by the Central bank. The former one is an infinite liberating in nature while the second is a finite liberating one by the power of legislation. The legal money is similar in the value of "absolute" to each other regardless of the difference in time and place. Legal money addresses all sectors, but the banking money addresses the economic sector.

4- The fourth property:

Unlike the central bank, the goal of the commercial banks is to make profits. Commercial banks are capital projects whose main goal is to achieve the greatest possible profits at the lowest possible costs, which are often owned by individuals or companies. This goal completely contradicts the central bank goals, which is represented in the control, supervision and guidance, and the issuance of legal money and implementation of the ultimate fiscal policy.

10. Social Responsibility concept:

Social responsibility is one of the modern management concepts that emerged due to the increasing pressures on organizations. The role of these organizations is not only to serve self-interest and make profits, but also to achieve the interests of the community as well. Nowadays, organizations are required to comply with economic goals and social requirements as a condition for development to ensure its sustainability.⁽¹³⁾

Therefore, the research will attempt to address the various notions of (SR) through a review of the most important definitions used to explain the concept.

There is no unanimous agreement on a specific definition of social responsibility concept. Researchers, business persons and others provided different definitions for the concept. The Global Business Council for sustainable development defines it as the continuous commitment by entrepreneurs to act morally and contribute to economic development and improving living standards of the workforce and their families, the local society and community.⁽¹⁴⁾

The social responsibility is the commitment of the owners of economic activities who contribute to sustainable development and work with the local community to improve living standard of the population using a system that serves the economy and development at the same time. Decision makers within the organization should initiate the developmental role of the private sector. In a general sense, (SR) is known as ' the relationship between the organization and the community that focuses on commitments should be fulfilled to be regarded as a qualified local organization.'⁽¹⁵⁾

The social responsibility represents the activities and work of the organization that assume the responsibility triggered by the impact of the activities which is carried out on society to become homogeneous, in addition to the benefits of society and development and focuses on ethical conduct, and respects the laws and government regulations.

It serves as a commitment to minimize any damage as possible that affect the community and avoided it in the first place and maximizes the impact of its benefits in the long term. The dimensions of the social responsibility of business sectors lie within the economic and the moral, charitable nature of the legal responsibilities. It is based on ethical considerations focused on the goals that are the obligations of a long-term and initiative of real business organizations to fulfill these commitments to enhance its representation in the community.⁽¹⁶⁾

The World Bank also defines social responsibility as 'commitment to contribute to sustainable development through working with employees and the local community as a whole to improve people's living standards in a manner to serve trade and development at the same time.'⁽¹⁷⁾

Finally, European Commission defines social responsibilities as “the concept whereby companies integrate social and environmental concerns with basic operations, and interact with other parties on a voluntary basis”.⁽¹⁸⁾

11. The importance of social responsibility of commercial banks:

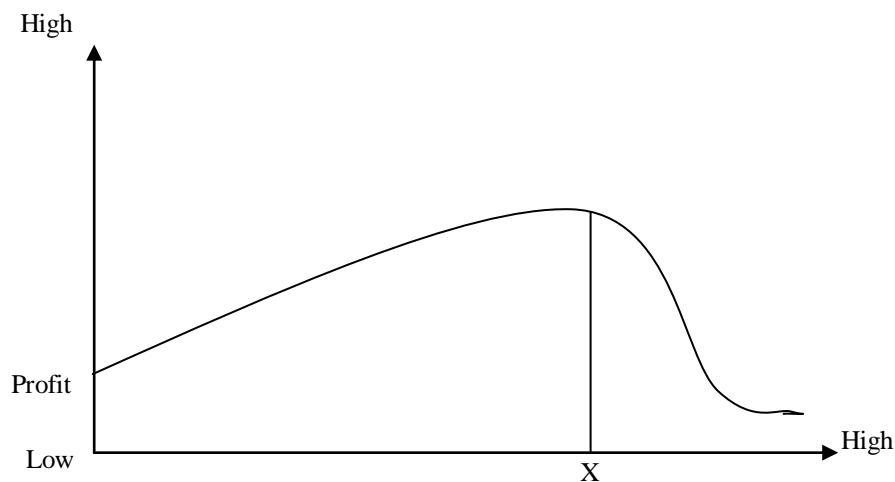
The success of institutions; banks in General and commercial banks in particular depend on their involvement of social responsibility, community support, and responsibility towards employees and community members and responsibility towards the environment through the protection of the environment from pollution and paying attention to the decisions that have an impact on the environment.

Social responsibility is one of the most important activities adopted by commercial banks. It is the bridge through which commercial banks play their crucial role in society. They are involved in the fight against poverty, the distribution of wealth and contribute to the endorsement of Justice, through using a number of products. Fulfillment of (SR) such as donations, loans and

funding craftsmen, owners of small and medium-sized enterprises in addition to funding health and educational services and support charity organizations. ⁽¹⁹⁾

Commercial banks (CBS) commitment to (SR) promotes trust between CBS and the community and improve its image among the community particularly their clients. This commitment also improves business atmosphere, and create the spirit of cooperation and interdependence between the various parties, making it easier to access commercial banks, economic and social objectives. Some studies have shown that there is a positive relationship between social response to business organizations and economic performance. Some researchers believe that there is a link between profitability and (SR) to a certain extent. Figure (2) shows this link. ⁽²⁰⁾

Fig (2) The Degree of Social Responsibility



Source: Gadi, Ahmed (2010:16)

The previous figure showed the following:

- The profit increases to a certain extent when the Organization's response to social responsibility.
- The point (x) is an acceptable level of social responsibility.
- Profit begins to decrease when increasing social burdens borne by the organization.

When the commercial banks establish social responsibility, they ensures to some extent the support of all community members to their goals and missions and recognition of practices and contributes to the success of their plans and goals. In addition to contributing to varying community needs and necessary requirements, as well as creating new job positions through the developmental nature of the projects. Most studies conducted on institutions and banks that foster (SR) have shown that there is a factual correlation between the social practices of the institution or the Bank and the positive financial performance.

In this context and during the last decade, a number of organizations and banks that have realized the importance of social responsibility, their experiences have enhanced and released dozens of studies that showed (SR) has a positive impact on the economic performance of the business community. Additionally, they enhanced shareholder value, position of enterprises and banks and do not affect shareholders.⁽²¹⁾

12. Community contribution of Jordan Arab Bank during 2015

Jordan's Arab Bank had launched a multi-faceted program called MaaN (Together) in 2009 in collaboration with a number of institutions. The program is designed to support the community in several key areas, namely health, fight against poverty, the protection of the environment, education and support for orphans. The program aims to implement initiatives in these areas in order to achieve sustainable development and the creation of a long-term positive impact on local communities through cooperation with non-profit institutions, and the contribution of staff and clients of the Jordan Arab Bank in community development efforts. The Bank has made great strides in these areas through cooperation with a number of non-profit institutions such as the King Hussein Cancer Foundation, Tkiyet UM Ali Foundation and Royal Society for the protection of nature and the Security Fund for the future of the orphans. This is in addition to employee engagement through volunteer work and giving the opportunity for clients to donate to these institutions and participate in the program through banking channels:

Online services, phone banking, ATM and branches throughout the Kingdom in addition to MaaN (Together) platinum credit card that provide a unique mechanism of protection, allow the clients to donate up to (0, 5%) out of their purchases as a donation to the non-profit

institutions participating in the (MaaN (Together)) programme. In return, the bank will contribute with the same rate in addition to the donation of 50% of the annual subscription card in those institutions.

In 2015, the number of bank volunteers has increased by 19% (360) employees in Jordan who were involved in 51 voluntary activities. The contribution of 768 volunteers has affected more than 88,000 beneficiaries. The value of clients' donations for the non-profit organizations participating in MaaN (Together)) programme has reached more than 155,000 JOD. In addition to engaging employees and clients in the program, the bank provided training program to build capacity of nonprofit organizations and develop opportunities to enhance their employees' skills and abilities to ensure the continuation of its work. The Jordan Arab bank has provided a number of training courses for the staff of the institutions participating in the MaaN (Together) programme during the year 2015. The training courses were provided by internal certified trainers to make use of their skills, competencies and the courses were identified by institutions according to their importance and priority for their business.

The Bank has managed during the year 2015 to increase the number of beneficiaries of those programs by more than 24% to reach 107 employees in five non-profit institutions, implementation of seven specialized training courses covering various aspects including:

- Communication skills over the phone and excellent services,
- Project management,
- Advanced Excel skills and presentation skills,
- presentation and time management and
- Total quality management.⁽²²⁾

Proceeding from its commitment to the development and empowerment of its communities, the Bank continues to expand the program since 2012 to include Palestine to attain social, economic and environmental development based on the same areas covered by the programme: health, the fight against poverty, environmental protection, education and support of orphans.

Below are the most important community contributions of Bank, which can be presented under the umbrella of the MaaN (Together) program.

12. 1 Health:

A number of voluntary initiatives in the field health in collaboration with the King Hussein Cancer Foundation in Jordan have been implemented successively in a non-profit institution that participated in the MaaN (Together) programme for the sixth year. Four blood donation campaigns were performed during the year 2015, when the bank employees have donated 190 units of blood for King Hussein Cancer Center patients. Twenty of employees of the bank have volunteered to accompany the children to spend a day of entertainment and education in collaboration with Raneen and Showaman institutions. In addition, the bank is a golden sponsor of charity dinner held by institutions to collect donations for cancer patients. Besides that, the bank sponsored a special annual film about the Zakat Campaign for the third successive year. The institution launches this film every year during the holy month of Ramadan for the benefit of the cancer patients who are receiving treatment at the King Hussein Cancer Center. Proceeding from the keenness of the health and safety of employees, the bank in cooperation with the King Hussein Cancer Foundation and Jordanian program for breast cancer has organized a campaign for the early detection of breast cancer. About 87 of female employees of the bank benefitted from the program. The Arab Bank Group also participated in ' A goal for life ' organized by the King Hussein Cancer Foundation to raise staff awareness to the importance of living healthy and practicing the sport for charity purposes. King Hussein Cancer Foundation also received donations through “Donate for Arab Bank”, which provides the opportunity for customers to donate directly to non-profit institutions participating in the MaaN (Together) programme.

Since health is one of the priorities of social responsibility, the bank has continued to support the Jordanian national team and Football League youth since 2011 through a sponsorship program for four years for Jordan Football Federation. The Bank was also a Gold sponsor for the Oman International Marathon for the seventh consecutive year, covering the costs of participation of about 1313 staff members and their families and friends in Oman Marathon and Dead Sea. ⁽²³⁾

The following table (1) indicates community contributions of Jordan Arab Bank in 2015.

Table (1)

The table illustrates examples of community contributions of the Jordan Arab Bank during 2015.

Sector/field	Unit	Contribution
Health	١٩٠ units of blood.	Bank staff Donate blood for King Hussein Cancer Center
Fighting poverty	490 food parcels	Bank employees and their families participated in packaging meals to approximately 2120 honest family members.
Environment Protection	300 seedlings	40 employees in JAB and their families by participating in immediate transplanting and watering seedlings as part of protecting the woods.
Education	282 students	Building three universities, which were distributed in several provinces of the kingdom; northern, central and south to contribute to the development of education.
Supporting orphans	200 orphans	18 employees of the Bank organized charity breakfast to establish the Children's Museum.

Source: Researcher through the Bank's report (JAB) for 2015

12.2 Fight against poverty

The JAB continues its ongoing support for the programmes aimed at supporting poor people and fight hunger in Jordan through ongoing initiatives with Tkiyet UM Ali. It is a non-profit institution participating in (MaaN (Together) the programme. so the Bank continued its support for 50 needy families in Oman regions, Madaba, Karaka Ruweished and Ajloun by providing

monthly food parcels for one year. The Bank also supported Ramadan campaign by sponsoring two Iftars at Tkiyet UM Ali Foundation, with 38 volunteers from Bank. The volunteers provided breakfast for two days to about 2400 people and families. Moreover, the staff participated in several initiatives including the preparation and packaging of about 490 food parcels through four activities with the participation of 109 bank employees to support approximately 2120 needy family members. Fifty-nine volunteers from the bank and its branches in distributing food parcels to 841 families in the capital and the provinces of Tafila, Salt and Zarqa and Mafraq. Twenty-four volunteers also participated in four visits to Oman and Zarqa to reveal about 95 poor families. The Bank has also an exclusive sponsor for the “Dafa Touch” campaign organized by the Tkiyet UM Ali Foundation, which aimed to distribute blankets to help poor families cope with cold weather. The campaign has distributed 1285 blankets to approximately 748 families with the participation of 33 volunteers in areas of poverty in East Oman Irbid, Karaka, Mafraq and Aqaba and Zarqa and Jerash and Jordan Valley.

12.3 Environment Protection

Arab Bank has supported a number of initiatives that deal with the protection of nature in Jordan in collaboration with the Royal Society for the protection of nature. Royal Society is a non-profit institution participating in the programme ' MaaN (Together), where the Bank has sponsored the first National Conference on socio-economic benefits for nature reserves in Jordan. The conference, which is the first of its kind, has highlighted the major problems and challenges facing the natural reserves that are available in various regions in the Kingdom.

As part of the Bank's commitment towards protecting the environment, it has supported the Royal Society for the protection of nature in order to rehabilitate the hot water area – alzarh in the Dead Sea with the aim of transforming the region into a tourist destination, where 44 of Bank staff volunteered in planting trees and cleaning campaigns. The Royal Society for the protection of nature has also received donations through Donate for Arab Bank channels, which provides the opportunity for customers to donate directly to non-profit institutions participating in the programme (MaaN (Together)). During 2015, the Bank continued to adopt forest protection adopted in 2013 in the Jerash area in cooperation with the Association for the protection of the

Tree, where the Bank has a voluntary activity to ensure prompt planting 300 seedlings in the forest with the participation of 40 employees of the Bank and a number of their families.⁽²⁴⁾

12.4 Education and orphans' support:

Arab Bank is collaboration with a number of institutions to empower young people through education and training, particularly the Al-Aman Fund for the Future of Orphans and Injaz Foundation.

During the year 2015, the Bank has supported several programmes in cooperation with the “Security Fund for the future of orphans”, a non-profit institutions participating in the programme MaaN (Together)), including complete university education to eight students from the beginning of the school year 2013\2014 is expected to graduate at the end of the year 2016\2017. In addition, the vocational training programme for the Security Fund for the benefit of 32 orphans (eight professional students each year for four years).

It also has sponsored charity breakfast during Ramadan for more than 175 orphans in collaboration with the Tkiyet Um Ali Foundation and Haya Cultural Center, in addition to another charity breakfast in cooperation with the Children's Museum, during which more than 200 children have been hosted with the participation of 18 volunteers from the bank's staff.

The Bank continued its support through “clothing charity bank” under the umbrella of the Hashemite charitable organization by supporting orphan clothing program where 1200 orphans were provided with new clothes for a whole year, 106 Volunteers and families of various branches of activities that shopping with orphans.

Furthermore, Aman Fund for the Future of Orphans has received donations from donating channels of Arab Bank, which provides an opportunity for the bank's customers to donate directly to non-profit institutions and participate in (MaaN (Together)) program.

Through cooperation with Injaz, the Bank adopted the three universities that are distributed in several provinces in Northern, Central and southern Jordan with the aim of contributing to the

development of the educational sector and provide college students with the necessary knowledge to start their careers.

During the academic year 2015/2016, about 2,282 students benefited from this initiative, as a part of the bank's ongoing efforts to support education in Jordan. The bank signed an agreement with the Injaz institution based on the adoption of the application of “Direct of your destination” program, which will be implemented in five public schools. The program aims to inspire and prepare school students to be creative leaders in future. It can also teach students the basic skills they lack in the school curriculum. . It includes creative and critical thinking, problem solving and teamwork, project management and self-confidence. The 14 employees volunteered to make a number of extra-curricular programs in a number of public schools and universities in order to raise students' abilities and skills through educational lectures. The Bank has also signed an agreement with the Jordanian children's villages Association to be the exclusive sponsor of one of the children's homes in the village Assembly in Oman and aimed to support nine children for an entire year by covering daily expenses of clothing and transportation, schools and medical expenses plus other administrative expenses.

In addition to the support of Raneen institution to issue a collection of short stories and five audio to provide educational and informative content contributes to the development of creativity and innovation skills among school students, especially the blind. As it has been the implementation of the training workshops in a number of public schools and the Children's Museum and Haya Cultural Center and Abdul Hameed Shoman Foundation Library to implement a number of training workshops. The Bank also attended the launch of ceremony of the fifth collection of short stories which was held at the Academy of the blind in Oman.

The bank continued its cooperation with the central traffic Department for the sixth year to promote traffic safety for students through its sponsorship of a campaign to return to the schools. The bank distributed 5,000 school bags to poor children in various regions of the Kingdom, where the bag containing stationery, notebooks and colouring notebook. In addition to distribution, of 50.000 brochures, carrying the name “My school is my joy” which includes a

number of rules and guidelines for traffic safety, the campaign contributed to the prevention of the danger of the road and in a language easy to attract the attention of the students.

Additionally, the bank was the Gold sponsor of the training program for university graduates in cooperation with the King Abdullah foundation for development and Lopak Foundation, where the bank hosted a group of ten students from different universities of Jordan for 6 weeks in several branches in the capital, Madaba, Zarqa, Salat, Mifriq and Irbid provinces. Moreover, the contribution and support aimed the provision of educational means and development of students' skills. In cooperation with Talal Abu-Ghazaleh, the bank donated more than 1150 computers to re-configured and used in schools and youth centers in poor areas as part of a national initiative that aims to spread information Technology and support education in the various regions of the Kingdom. The Bank has signed an agreement with Princess Basma Foundation for children with disabilities in order to contribute to provide them with suitable education and health services. The Convention covered 100 needy within a comprehensive rehabilitation program for children with disabilities. It also included scholarships for (40) children with disabilities and children in need during the school year (2015-2016).

The Bank also participated and sponsored many scientific forums, conferences and events of interest to children and youth. Form all these remarkable efforts in consolidating Jordanian community of social responsibility, EMEA magazine granted an Award for the Bank for best corporate (SR) program in the middle of the year 2015. ⁽²⁵⁾

13. Conclusion

The present study has cast light on Commercial banks and their role in consolidating social responsibility. The researcher selected the Jordan Arab Bank as a case study during the year 2015. The research commenced with the previous studies related to the theme of the study and revealed the functions of commercial banks, their characteristics, and their community contributions, particularly the Jordanian Arab Bank during the year 2015.

The research showed that the commercial banks deem (SR) as one of the most important areas of activities that enable them to achieve their financial, economic and social objectives. They are

the bridge through which they play significant role towards the community, and ensure the support of all members of the community to achieve their goals, mission and recognition of practices, and contribute to the success of their plans and goals. From this standpoint, the Jordan Arab Bank has launched a multifaceted program called (MaaN (Together)) in cooperation with a number of institutions to support the community in several key areas: health and the fight against poverty, environmental protection, education and support of orphans. Moreover, the Bank has made great strides in supporting health sector; mainly Bank employees donated \$ 190 units of blood for King Hussein Cancer Center patients. They organized screening test campaign for the early detection of breast cancer in cooperation with King Hussein Cancer Foundation and Jordanian program for breast cancer and 87 bank-employee benefited from these tests. King Hussein Cancer Foundation has received donations, though special Jordan Arab Bank's channels, which provide the opportunity for the bank's customers to donate directly to the Foundation.

In terms of fighting against poverty, the JAB provided substantial contributions to Jordanian society, perhaps 50 families were supported in cooperation with the Foundation of the Tkiyet UM Ali with monthly food parcels for a whole year. Bank employees and their families participated in the preparation and packaging of 490 food parcels which benefited approximately 2120 poor families.

As for the protection of environment, the bank has assessed contributions, the most remarkable one was the participation of 44 of the bank's employees who volunteered to plant trees and cleaning campaigns for the region. It also participated in a voluntary work that includes planting and irrigating 300 seedlings in the forest with the participation of 40 of the bank's employees and their families. In the terms of education, support and orphans, the bank sponsored a charity breakfast during the month of Ramadan to more than 175 orphans in cooperation with Tkiyet UM Ali Foundation and Haya Cultural Center. They did another charity Iftar in cooperation with the children's Museum to host more than 200 orphans where 18 volunteers from the Bank staff have participated.

Finally, the Bank has supported many universities and public schools by paying students' daily expenses. From the foregoing, the Jordan Arab Bank has contributed effectively to consolidate

the (SR) in the Jordanian community, performed all these contributions to gain the trust of Jordanian society, and promoted the spread of its branches all over the Kingdom.

14. Findings:

- 1- It is obvious that commercial banks have changed their perspectives from normal financial institutions, which assemble money and give loans to financial institutions that serve the community in order to gain their trust to ensure the chances of sustainability, development and prosperity.
- 2- Commercial Bank's commitment to (SR) helps enhance the trust between them and the community and improve its image among members of society, particularly among clients, and improve the working environment and spread the spirit of cooperation and interdependence between the different parties.
- 3- There is a positive relationship between the social response of commercial banks and financial and economic performance, where the commercial banks to apply (SR) to improve its financial performance, economic and social development.
- 4- It is clear that the JAB paid great attention to consolidating social responsibility of the Jordanian society by offering many of the essential, vital and indispensable services for society.
- 5- The most important community services and great support by the JAB was for health, education sectors, the support for orphans, and protecting the environment and combating poverty.
- 6- The great social services provided by the JAB to the community enabled it to win society and its clients' trust and contributed to its expansion and development.
- 7- Due to these influential social contributions, the JAB awarded for best corporate social responsibility program in the mid 2015 from the global magazine EMEA Ines (EMEA Finance).

15. Recommendations:

The authorities in charge with economic sector should help commercial banks and financial institutions to perform their mission toward communities through the provision of necessary aids that improve performance, and legislation and studies in the light of the actual needs of the community.

- 1) Exchanging of experiences between commercial banks enable the banks to benefit from the experience of the JAB in the field of (SR) and its developing development.
- 2) Innovating motivational and incentive methods by the responsible bodies and the media help promote a culture of social responsibility. For more superiority and excellence of service by Jordan's Arab Bank and commercial banks, which play the same role in the field of social responsibility, there should be awarding for excellence of the performance of corporate (SR) to raise the spirit of competition and strengthen social responsibility among financial institutions and other institutions.
- 3) The Jordan Arab Bank should focus on expanding community services to cover other sectors of Jordanian society needs other than health and education sectors and the preservation of the environment and the fight against poverty and support orphans.
- 4) Establishing a full authority specialized department to manage the social responsibility program in JAB and other commercial banks to develop social responsibility, promote it, and guarantee the continuation of the program.
- 5) Creating a website for JAB that pay attention to (SR) and its successful practices and new updates of social responsibilities to be spread out to institutions, companies and individuals to the Hashemite Kingdom in particular and the Arab States in particular to be a paradigm shift to develop and upgrade this vitally important program.

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