

Full Length Research Paper

Motivations, obligations, and obstacles to corporate social responsibility in Jordanian real estate companies

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The study presents an understanding of corporate social responsibility (CSR) as a strategic management tool of real estate companies in Jordan. The major objectives of the enquiry are to examine the level of engagement of such companies with CSR, and to identify motivations, obligations and obstacles that influenced their level of engagement. An empirical examination of Jordanian real estate companies was attempted using a structured questionnaire through a survey instrument. The study used primary data collection from a random sample of 50 managers from two major cities, Amman and Irbid. The empirical results revealed that real estate companies in Jordan had actually adopted CSR only marginally because of government and regulations compulsions. Field analysis indicated that CSR portfolios of these companies were very limited. In the absence of such self-conviction, social responsibility engagement was often hurdled by obstacles like budgetary constraints, shortage of expertise, and awareness. These companies lacked realizing benefits of social responsibilities as a management tool for long-term strategic success. The study recommended companies to get more awareness, education, and training about benefits of corporate social responsibility such as promoting social dialogue, ensuring the safety and health at work, and fostering activities of social work and economic growth.

Keywords: Real Estate, business, companies, marketing, CSR, corporate social responsibilities, obstacles, motivations, obligations, adoption, Jordan.

INTRODUCTION

Real estate sector flourished in the Middle East region till the recent global recession and the associated setbacks that affected the sector at varying degrees in different parts of the world (Khammash and Alkhas, 2009). Jordan is considered to be one of the most stable countries in the Middle East, attracting Gulf, Palestinian, Iraqi and Lebanese expatriates and their investment alongside domestic and other Foreign Direct Investment (FDI), where the government was promoting less-energy intensive industries such as real estate and tourism (Global Research, 2008). Nonetheless, with a real estate boom across the region, prices of property following such

risks remained attractive relative to prices in other neighboring countries. Moreover, the ability to generate profits in a short time continued to attract further investment to the sector, until eventually, real estate became arguably overpriced. The real estate boom has been buoyed by an inflow of liquidity and investments to Jordan, leading to construction activity of residential, commercial and touristic projects. Towards the end of 2007, real estate trading activity began to decelerate (Khammash and Alkhas, 2009). All this resulted in 294 real estate companies registered and working in the country by the year 2010 (Statistics of National Information Center of Jordan, 2010).

The lure for quick profit and prejudiced visions may negatively affect some of real estate companies in defining the strategic management of their business more

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constructively with a long-term success. It appears that the Jordanian real estate industry failed to assimilate this concept in a meaningful way. Khammash and Alkhas (2009) observed that most real estate development projects in Jordan were related to lavish housing compounds, up-market commercial buildings, and large-scale tourist resorts while majority of the population remained largely a low-income category. In fact, the target segments of these real estate firms were the middle-and upper-income group of the population, which comprised of only a meager proportion of the total population. Several inadequacies and difficulties in obtaining bank finance, including unfavorable interest and tenure terms for housing loans caused these gaps. It is in this context that the idea of adopting social responsibility becomes an issue of strategic importance to these companies whether they are truly aware of it or not.

The major research enquiry is to examine the level of engagement of real estate companies with CSR, and to identify motivations, obligations and obstacles that influenced their level of engagement. Such potentials and implications are discussed subsequently in this study as part of presenting a theoretical framework that calls for the adoption of social responsibility concept by real estate companies. The study further expands into an empirical examination of real estate companies' actual adoption of the concept, and their motivations, obligations, and obstacles in adopting it.

Nature of Real Estate Industry in Jordan

Real estate sector has been one of the most active sectors of the Jordanian economy lately. Construction sector accounted for 4.4 % of the Gross Domestic Product (GDP) on average over the period 2002-07. Total value of real estate transactions stood at JD5.6 billion at the end of 2007, growing at a Compound Annual Growth Rate (CAGR) of 36.1 % during the five year period 2002-07. In 2007, the value of real estate transactions grew by 7.7 %; this compares to steeper growth rates of 48.6 %, 75.0 % and 53.8 % recorded in the years 2006, 2005 and 2004, respectively. Moving forward, investments in Jordan's real estate sector are expected to exceed JD50.0 billion by the end of the year 2012 (Global Research, 2008).

Total value of non-Jordanian investments in the real estate sector advanced at a CAGR of 22.6 % during the period 2004-07. In the years 2007 and 2006, value of non-Jordanian investment slipped by 7.3 % and 2.0 %, respectively, versus a steeper growth of 102.8 %, respectively. Non-Jordanian investments constituted around 2.4 % of total real estate investment at the end of 2007, compared to higher percentage contributions of 2.8

%, 4.2 % and 3.6 % in the years 2006, 2005 and 2004, respectively (Global Research, 2008).

The combined assets of the licensed banks in Jordan grew at CAGR of 12.1 % during the period 2002-07. Total credit facilities extended by licensed banks grew at a CAGR of 17.1 % during the period 2002-07. Credit facilities reported 15.7 % of growth to stand at a new record level of JD11.3 billion during 2007. Such growth rate came on top of the highest growth level of 26.1 % reported by the end of 2006 (Global Research, 2008).

Jordanian Real Estate Segmentation

The Jordanian real estate market is divided into; residential, raw land, tourism-oriented and commercial segments. Real estate sector in Jordan has witnessed a revival in all segments where a boom was first noted in the residential and tourism segments, which quickly flourished into the commercial, tourism and retail segments. The country has been continuously introducing several economic reforms over the course of the last several years and with all the vibrant activity taking place across the county's real estate sector (Global Research, 2008). Geographically, the urban real estate market is divided into three regional centers, namely: Amman, Zarqa and Irbid.

Significance of the Study

Being the first of its kind the study intends to examine the level of engagement of real estate companies with CSR, and to identify motivations, obligations and obstacles that influenced their level of engagement using empirical research. The general consensus is that CSR is a strategic concept which determines the acceptance of the organizations by society at long term, and assures their long-term success and development. However, it is important to realize that the majority of researches carried out in relation to CSR adoption has been conducted in foreign countries where findings, due to cultural and technological differences, may not directly apply to Jordanian real estate companies. Further, this research attempts to investigate the relationship between corporate CSR commitments in favor of financial benefits. Study implications can be of importance for advocates and skeptics of corporate social responsibility.

Study Objectives

The following are objectives for carrying out the present research:

1. To empirically examine the extent to which

Jordanian real estate companies have actually adopted the concept of social responsibility.

2. . To figure out the major social responsibility indices implemented by the Jordanian real estate companies.

3 To identify the motivations, obligations, and obstacles of social responsibility adoption by Jordanian real estate companies.

LITERATURE REVIEW

Definition of Corporate Social Responsibility (CSR)

The concept of corporate social responsibility (CSR) is not just a matter of giving back to the society for humanitarian reasons as some have narrowly understood it. Rather, it is a concept that has tremendous strategic business potential and implications for future (European Commission, 2002). CSR occurs when firms engage in activity that appears to advance a social agenda beyond that which is required by law (Siegel and Vitaliano, 2006). In other words, organizations should take into account four responsibilities in their relationship with the society to be active corporate citizens; economic, legal, ethical, and philanthropic (Carroll, 2000). CSR is concerned with how the company conducts itself in the community and the environments it touches (Eurosif, 2004; McNamara, 2005). Such a strategic shift in business will go a long way in meeting the social responsibility of business through fostering a balanced, equitable, harmonious, and sustainable growth of the economy and society.

Historically, the concept that business has duties to society is firmly embedded in the essence of people at large. Many researchers believe that the criteria to judge organizations should not be related to their economic success alone; instead both economic and non-economic factors should be considered (Carroll, 1991; Lantos, 2001). Vitell, et al. (2009) believes that ethics became a starting point from which one can examine success or failure of a business, where social responsibility adoption affects the managerial and organizational efficiency. Echoing a similar idea, Torre (2005) pointed out that activities of social responsibility were intended to build a solid and strong corporate image.

Now a day, the ethical and humanitarian responsibilities are basic component to formulate a strategic corporate social responsibility (Lantos, 2001; Nejati and Amran, 2009). Redondo (2005) observed that the last few years have witnessed an important change in the ways in which organizations started to look at their CSR, which is currently gaining strong momentum in the companies identifying it as a long-term advantage tool. For this reason, many have already begun implementing

strategies and action plans comprising of CSR. Kotler contented that satisfying consumers is not enough for a firm to be successful, it needs to satisfy the society at large; thus he broadened marketing concept to Societal Marketing (Andreasen, 1994; Kotler and Armstrong, 2007; Kotler and Zaltman, 1971). Some studies highlighted that companies started accepting that their responsibilities to society go further than economic ones to include social and environmental issues (Jonker and De Witte, 2006; Laszlo, 2008; Preuss and Perschke, 2009).

Further, Kaplan and Norton (1993) developed Balanced Scorecard as a strategic management tool in 1993. The tool got refined continuously over time, and gained credence primarily as a strategy evaluation and control technique. It makes the business organizations to set goals/objectives and measure their accomplishments basically on four dimensions namely financial perspective, customer perspective, internal business process perspective, and continuous improvement perspective. One of the areas of focus in the continuous improvement perspective is setting and achieving social/community responsibility goals. The proponents of Balanced Scorecard believe that accomplishing financial goals, although important, is reflecting only a short-term and partial success. Equally important are other dimensions, part of which is social responsibility goals, because they relate more to a long-term success, and hence are of strategic significance. Currently, the tool is being used by several leading corporations around the world (David, 2009).

Finally, activities of social responsibility involve the introduction of voluntary ethical culture in the philosophy of corporate governance with particular emphasis on respect for the environment, humane treatment of its workers, promoting social dialogue, ensuring the safety and health at work, patronage to artistic, cultural, social, economic, and sports events, and fostering activities of social work and economic growth (Torre, 2005; Franco, 2008).

CSR Indices

Effective social responsibility relates differently to different firms and their social responsibility opportunities that it confronts. Therefore, social responsibility indices undertaken by other firms around the world can be a guidance to develop social responsibility programs (Franco, 2008; Torre, 2005).

Social rating agencies seek to make corporations' effects more transparent. Social ratings aim to provide social investors' accurate information that makes firms' behaviors is socially responsible (Chatterji, Levine, and Toffel 2009, Kempf and Osthoff 2007). Ratings data

used by KLD Research and Analytics for the firm's Social Index, suggested that that an investment strategy incorporating a screening approach and choosing stocks with extreme socially responsible investment ratings, can result in significant outperformance. The authors oppose that past ratings constitute important information for investors, while raising the question (Kempf and Osthoff 2007).

Despite their increasing popularity, social ratings are rarely evaluated and have been criticized for their lack of transparency. Investors who seek transparency are looking for combination of accuracy in summarizing past performance, and careful evaluation of current managerial actions. Poor social and environmental ratings can harm a company's performance and reputation. For example, Kinder, Lydenberg, Domini Research and Analytics (KLD) dropped Coca-Cola Co. from its Broad Market Social Index because of concerns about the company's labor practices in the developing world (Chatterj et al., 2009).

Motivations, Obligations, Obstacles, and Barriers that Impede CSR Adoption

Prahalad assertions about Fortune at the Bottom of the Pyramid (Prahalad, 2005; Prahalad and Hammond, 2002; Prahalad and Hart, 2002) revolutionized the management theory, and revealed certain fundamental flaws that were inherent in the policies of several business firms. He argued it is against the natural tendency of most business firms to focus on the high-end class of customers for their business fortunes. Instead, if firms could design an appropriate Marketing Mix targeting the low-end customers, there could be even more revenue and better profit than what could be achieved by focusing on the high-end segments.

A large number of leading firms all across the world adopted the concept of Societal Marketing, even noticeably sacrificing their immediate financial gains because the concept had long-term strategic prospects (Handelman and Arnold, 1999; Kotler and Zaltman, 1971; Rapson, 2007). Different researchers (Adolphson, 2004; Bansal, 2005; Carroll, 2000; Garriga and Melé, 2004; Jones, 1995; Levis, 2006; Vogel, 2005; Windsor, 2006) have separated CSR based on motive where economic and ethics represents each side and is mutually exclusive. Available theories in many recent researches of CSR declare that organizations engaged in CSR are doing so because they anticipate a benefit from these actions such as profit maximization, and to benefit from firm's differentiation strategies (Baron, 2001; Bagnoli and Watts, 2003; Fred, 2009; McWilliams and Siegel, 2001). Here one can find a shift of emphasis from long-term strategic benefits to short-term tactical benefits in firms

adopting CSR.

Additional studies have even attempted to enquire and establish the relation between CSR and firms' performance from several perspectives (Cheung et al., 2009), including impacts on profitability, asset values, and other performance measures (Margolis and Walsh 2001) implying that effectively carrying out social responsibility programs are likely to have positive business consequences to firms.

Pending further investigation, how far this shift reflects an acceptable trend would remain a debatable question to be answered. Prima facie, it appears that several of the social responsibility programs are likely to provide a long-term strategic benefit to the organization, and every program may not always have a one-to-one correspondence with immediate profitability.

CSR is not an evidently defined area of research and neither is it a clear construct of organizational practice (Morsing and Thyssen, 2003). There is a general consensus that CSR is concerned with the societal obligations of business (European Commission, 2002). The fundamental idea behind CSR is that business has some obligations to contribute with social benefits. These obligations act as a constant function of the company's operations (Frederick, 1994; Windsor, 2006).

Some literature on CSR addresses the truth that barriers and obstacles exist, which enforces an impediment on the implementation of CSR. Organizations may lack the resources, information, or time to engage in CSR activities (Sweeney, 2007; Vives, 2006).

THEORATICAL FRAMEWORK OF THE STUDY

Study Model

Based on the available literature, a theoretical model was presented for the current study, which suggests that the adoption of CSR by a company would depend on its motivations and obligations to do so, and implementation is constrained by barriers and obstacles. The model is presented below with brief descriptions of the major variables of the study. Figure 1 shows the complex relationship between motivations, obligations, and obstacles and barriers that leads to or impede CSR adoption.

Major Hypotheses

The main question of the study is to investigate the relevant factors associated with CSR adoption by Jordanian Real Estate organizations. Based on the main

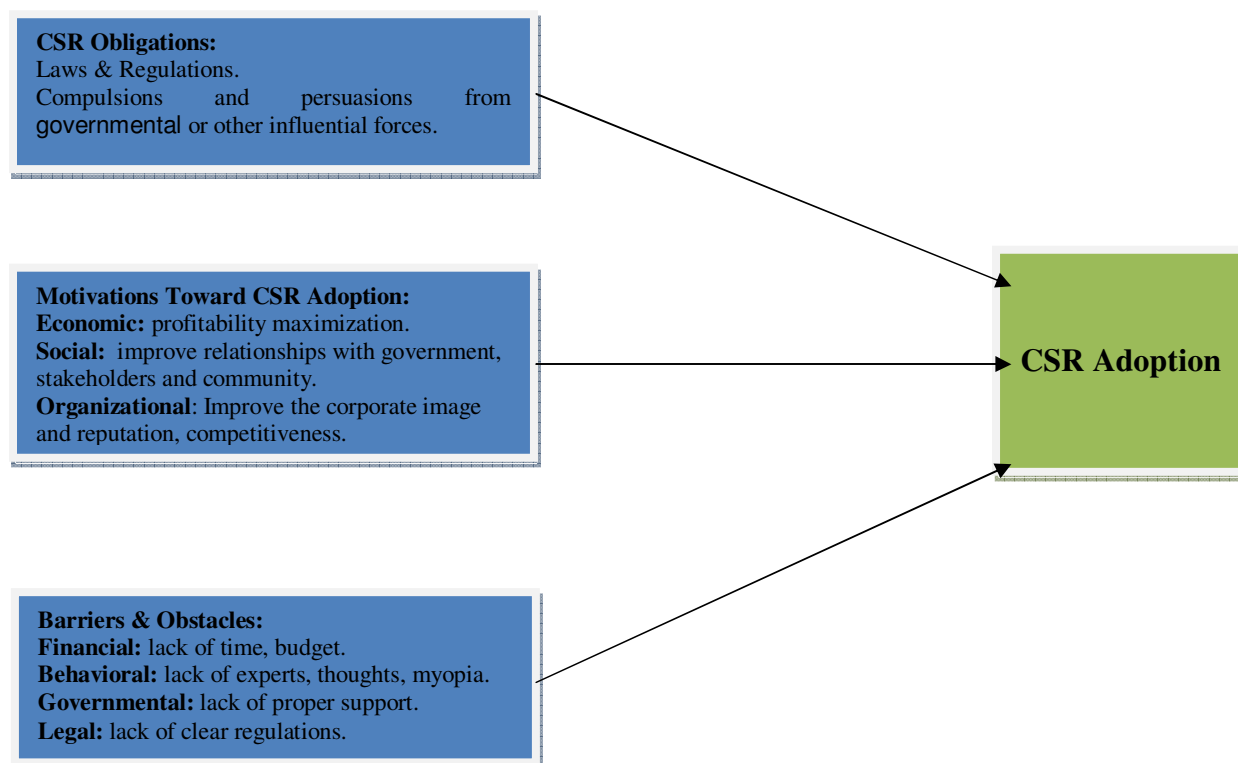


Figure 1: Theoretical Framework of the Study.

Source: Authors, 2010.

question, the major hypotheses are formulated as following:

Motivations to CSR Adoption

H₁: Motivations such as economic and profit maximization, social acceptance, and organizational reputation improvement have significant impact on CSR adoption by Jordanian Real Estate companies.

Obligations to CSR Adoption

H₁: Obligations such as laws, regulations, and persuasions from government have no impact on CSR adoption by Jordanian Real Estate companies.

Obstacles and Barriers that impede CSR Adoption

H₁: Obstacles such as behavioral, financial, and

governmental have no impact on CSR adoption by Jordanian Real Estate companies.

RESEARCH METHODS

The present study is a conclusive based research in that it attempts to find extent of CSR adoption by Jordanian Real Estate and its effect by motivations, obligations, and obstacles. In order to collect the required data, a structured and pre-tested questionnaire was used to obtain reliability for the major variables of the study and the related sets of statements that represented sub-components for the major variables. Consequently, a structures questionnaire was utilized to collect data about the major research variables. The selected sets of statements included the adoption of social responsibility, motivations, obligations, and obstacles. Attention was taken to purposefully and randomly present the statements in order to avoid order-bias. Measures consisted of relevant statements using a 5-point Likert Scale. The questionnaires were distributed in hand to the

manager of the sampled real estate companies. Response rate was 100% because a consistent monitoring and follow-up to fill out the questionnaires was used.

The target population of the study was all the 294 registered real estate companies in Jordan by year 2010. The sample size was 50 companies who responded to the random selection of the companies from two major cities, Amman and Irbid; which represents 25 percent of the target population.

RESULTS

In order to test the study hypothesis and achieve the study objectives, the researchers utilized descriptive and inferential statistics as follows:

1. Reliability Analysis: determined the scale and statements that are highly correlated to the major constructs of the study. For Reliability Analysis: researchers found that Cronbach Alpha of the items = 0.674 for all the items, which is statistically accepted as good reliability. Cronbach's Alpha ranges in value from 0 to 1. In general, an Alpha equal to or greater than 0.6 is considered a minimum acceptable level. In order to make sure this analysis is consistent and reliable; researchers proceeded to eliminate each of scale items. The results obtained after eliminating the items one by one, were showing that the reliability of the scales was not improved sensitively.

2. Descriptive Statistic: demonstrated the organizational motivations and obligations which affected CSR adoption by the companies (demonstrated in the following subsections).

3. Multiple Regression Analysis: contrasted the hypothesis and explained and demonstrated the effect of motivations, obligations, and barriers as independent variables on CSR adoption as a dependent variable (demonstrated in the following subsections).

The major objective of the study was to examine the extent to which Jordanian real estate companies have actually adopted the concept of social responsibility, as well as to figure out the major social responsibility indices implemented by the Jordanian real estate companies. The following presents findings in relation to this objective.

CSR and Extent of Adoption

Table 1 presents 13 social responsibility indices developed and selected from literature review and discussions with the real estate companies in Jordan. All these indices are very commonly and frequently found in the social responsibility programs undertaken by more

socially responsible companies all over the world. Unique indices adopted by certain companies in some parts of the world were not included as they do not culturally apply to Jordan. However, an option was given in the questionnaire for respondents to include additional indices that may be undertaken. Results presented no additional suggestions by the subjects.

The results presented in Table 1 reveal that the mean score of all the responses given by the subjects is 2.99 with a standard deviation of 0.44, while the median was 3.00. Since the obtained value is below the median, this suggests that at the aggregate and general level, Jordanian real estate companies have minimal adoption to social responsibility. Further results of standard deviation indicate that there is little variation among the companies in relation to social responsibility adoption. In other words, most of these companies have adopted social responsibility only nominally.

Further, results in Table 1 indicate that some of the Jordanian real estate companies had undertaken certain social responsibility indices. However, as can be noted from the table, the individual mean score reveals that only six of the indices obtained a score above the median. It implies that those six indices were the most social responsibility indices used by Jordanian real estate companies. Although certain other indices were also undertaken by some of the companies, they were not substantial enough in terms of companies' commitment towards them, and hence such indices did not emerge in the analysis as significant.

A further attempt was made to test the major objective of the study related to the impact of motivation, obligation, and obstacles on adopting social responsibility by Jordanian real estate companies. Although the previous results indicated that at the general level adoption of social responsibility is nominal, motivations of adopting CSR was further investigated.

Motivations to CSR Adoption

Table 2 presents the mean scores and standard deviations for the statements utilized to reflect companies' motivations to adopt social responsibility. The aggregate mean score of all statements together is 2.70, which is below the median. This suggests that the surveyed companies are not highly motivated towards social responsible action. However, when we broke the analysis down to statements, it became clear that there are two main drivers that lead Jordanian companies to engage in socially programs, namely, government requirements and companies' sustainability in the market. In fact, these motivations can be better called as compulsions than motivations because all statements that reflect a voluntary or self-motivation for social

Table 1: CSR Indices and Extent of Adoption

Statements to which respondents reacted based on a 5-point scale	Mean	Std. Deviation
We cooperate with the public sector in developing various infrastructure facilities such as roads, water stations, etc.	3.36	1.241
We take measures to promote the talents in people because we believe in their potentials to draw the future of our society.	3.26	1.046
Our organization supports cultural facilities and events (libraries, cultural clubs, forums, etc.).	3.18	1.257
We support the small businesses in our economy in order to participate in reducing unemployment and eliminating poverty.	3.1	1.266
Our organization supports health care sector (establishing hospitals, medical centers, donations for treatment of the poor, etc.)	3.04	1.195
We participate in establishing public gardens and entertainment sites.	3.04	1.124
Our organization participates in supporting sport events.	3.00	1.288
We support the educational sector by providing scholarships and assistance in building infrastructure etc.	2.98	1.237
We patronage religious facilities (mosques, churches, etc.).	2.94	1.174
Our organization has a clear agenda for the social responsibility programs.	2.94	1.077
We are dealing with the social responsibility as an important component of our competitive advantage.	2.82	1.034
Part of our social responsibility plan is dedicated for care of orphans.	2.79	1.22
We set apart a definite percentage of our budget to be spent on the activities of social responsibility.	2.32	1.115
All statements	2.99	0.444

responsibility scored less than the median. This indicates that companies have limited conception to undertake social responsibility as a tool for their strategic business growth.

Further, Table 3 shows the rejection of the major hypothesis "Motivations such as economic and profit maximization, social acceptance, and organizational reputation improvement have significant impact on CSR adoption by Jordanian Real Estate firms." The results of multiple regression analysis demonstrate that $f = 1.865$ with a significance level $\alpha = 0.102$. Suggesting that all the motivations together did not explain the variation in CSR adoption, where the explanation rate was $R^2 = 0.325$.

The findings support the results above that the companies had adopted social responsibility programs only nominally. Lack of motivation could be the reason why companies remained at low-profile in adopting social responsibility. Further reinforcement to the above

arguments is the analysis of obligations of Jordanian real estate companies to adopt social responsibility.

Obligations to CSR Adoption

Table 2 presents the mean scores and standard deviations for the statements utilized to reflect companies' obligations to adopt social responsibility. The aggregate mean score of all the statements together is 3.17, which is above the median. Further, when we broke the analysis down to statements, it became clear that all companies declared obligation to implement social responsibility. Obligations were influenced by the government laws and regulations, which mandates certain social responsibility programs to be carried out by local companies. These factors can be the reason why some companies did implement social responsibilities

Table 3 shows confirmation to the major null hypothesis

Table 2: Motivations and Obligations of Jordanian Real Estate Companies to Adopt Social Responsibility

Statements to which respondents reacted based on a 5-point scale	Mean	Std. Deviation
Motivations		
The government requires us to implement certain activities of social responsibility.	3.41	1.306
Without the social responsibility adoption, we cannot assure and maintain our existence.	3.04	1.177
The social responsibility improves our relationship with the government.	2.98	1.041
The activities of social responsibility influence positively our revenue.	2.87	0.924
The social responsibility improves the reputation of our corporate image.	2.77	1.207
The social responsibility programs help our organization in its relationship with the investors and associates.	2.7	1.015
The religious and religious values are the main reason why we have undertaken social responsibility programs.	2.69	1.188
The activities of social responsibility improve our competitive position.	2.35	0.978
The social responsibility programs improve our relationship with the community.	2.14	0.935
Motivations All statements	2.70	0.467
Obligations		
We consider the social responsibility because we are forced by powerful or influential third party and therefore obligated to do so.	3.32	1.285
We consider the social responsibility because we are forced by laws and regulations and therefore obligated to do so.	3.16	1.251
There are many clear laws and regulations that mandate and guide in initiating and implementing social responsibility programs.	3.08	1.140
Obligations All statements	3.19	0.687
Obstacles and Barriers		
I do not believe in it, because it is a waste of time and money without any possible positive results for our organization.	3.76	1.146
Lack of budget.	3.31	1.122
Lack of experts and specialist in how to implement social responsibility	3.27	1.255
CSR is not related to our field of work.	3.24	1.271
Never had I put my thought seriously in it.	3.19	1.262
Lack of the laws and regulations which are needed to organize the social responsibility adoption by different types of organizations.	2.96	1.190
Lack of governmental support.	2.62	1.413
Lack of time.	2.38	1.141
Obstacles All statements	3.08	0.598

“obligations such as laws, regulations, and persuasions from government have no impact on CSR adoption by Jordanian Real Estate companies.” The results of multiple regression analysis demonstrate that $f = 6.120$ with significance level $\alpha = 0.001$. This suggests that all the statements together explained the variation in CSR adoption, where the explanation rate was $R^2 = 0.285$.

Regarding the subcomponents of obligations, the results obtained from Table 4 shows a positive relationship and impact of each individual obligation subcomponents (government laws and regulations) on CSR adoption.

Obstacles and Barriers that Impede CSR Adoption

Table 2 present the mean scores and standard deviations for obstacles that hinder Jordanian real estate companies from adopting social responsibility. The aggregate mean score of all the statements together is above the median, which indicate that obstacles have strong impact on adoption of social responsibility. However, as can be noted from Table 2, the mean score of each obstacle reveals that only five of the obstacles obtained a score above the median. This implies that those five obstacles were mostly influential on adopting social responsibility.

Table 3: Multiple Regression Analysis for Motivations and Obligations of CSR Adoption

Variable	Sum of Squares	df	Mean Square	F	Sig.
Motivations of CSR Adoption					
Regression	2.497	8	0.312	1.865	0.102
Residual	5.188	31	0.167		
Total	7.685	39			
Obligations of CSR Adoption					
Regression	2.759	3	0.92	6.120	0.001
Residual	6.913	46	0.15		
Total	9.672	49			
Obstacles of CSR Adoption					
Regression	4.422	8	0.553	4.499	0.001
Residual	4.178	34	0.123		
Total	8.600	42			

R = 0.570^a & R² = 0.325

Further, the study revealed that the strongest obstacle is cultural; companies strongly indicated that social responsibility programs are a waste of time and money, and such programs would have no positive outcomes. Most probably this obstacle limited such companies from adopting CSR.

Another noteworthy obstacle is lack of budget. It is natural that the companies are strongly affected by this obstacle, especially when they believe that social responsibility would not generate additional revenue even in the long-term. Additionally, companies admit they lack expertise in undertaking social responsibility, and they feel that CSR is not related to their field of work. It appears that many of these companies are managed by less-efficient professionals who may not be very abreast with forward management practices. Further, companies are obsessed with the impression of uselessness of undertaking social responsibility, and therefore, they were not able to think out-of-the-box in considering CSR.

Table 3 shows the rejection of the null hypothesis "obstacles such as behavioral, financial, and governmental have no impact on CSR adoption by Jordanian Real Estate companies." The results obtained from multiple regression analysis demonstrate that $f = 6.120$ with a significance level $\alpha = 0.001$. This suggests that all obstacles together explained the variation in CSR adoption, where the explanation rate was $R^2 = 0.514$.

Regarding the subcomponents of obstacles, the results obtained from Table 4 shows a positive relationship and impact of some of the individual obstacles (lack of governmental support ($t = 2.14$, with significance level $\alpha = 0.04$); never thought about it ($t = 1.99$, with significance

level $\alpha = 0.05$); and do not believe in it ($t = 2.04$, with significance level $\alpha = 0.05$).

DISCUSSION AND ANALYSIS

The Jordanian real-estate companies, although have undertaken few social responsibility programs, their extent of adoption is only nominal. In the absence of such a self-conviction, the social responsibility adoption was often hurdled by many obstacles including budgetary constraints, as well as lack of expertise. It appeared that many of the companies were managed by less-efficient professionals who may not be very up-to-date management practices.

Jordanian real estate companies were not self-motivated to adopt social responsibility. The study revealed that real estate companies in Jordan had actually adopted CSR marginally and basically because of governmental or other compulsions; they have compulsions by laws, regulation of governmental bodies. However, it is encouraging to find out that there are regulations in the country that force companies to be socially responsible.

The foremost obstacle of Jordanian real estate companies in adopting social responsibility were cultural constraints such as the belief that social responsibility programs are waste of time and money, and such programs would not have positive results. Additionally, these companies had a constraining attitude that social responsibility is not within their domain, and hence many of them did not put any active efforts in this direction.

Table 4: Coefficient of Obligations and Obstacles of CSR Adoption

Statements to which respondents reacted based on a 5-point scale	B	Std. Error	Beta	T	Sig.
Obligations of CSR Adoption					
We consider the social responsibility because we are forced by laws and regulations and obligated to do.	0.120	0.045	0.338	3	0.01
We consider the social responsibility because we are forced by third party and obligated to do.	0.088	0.044	0.256	2	0.05
There are many clear laws and regulations which organizing the social responsibility and guiding the organization for the best implementation.	0.128	0.051	0.328	3	0.02
Obstacles of CSR Adoption					
Lack of time.	0.075	0.060	0.195	1.25	0.22
Never had I thought about it.	0.157	0.079	0.426	1.99	0.05
It is not related to our field of work.	0.009	0.063	0.025	0.14	0.89
I do not believe in it, because it is a waste of time and money without any possible positive results for our organization.	0.12	0.059	0.303	2.04	0.05
Lack of experts and specialist in how to implement social responsibility.	0.059	0.068	0.153	0.87	0.39
Lack of the laws and regulations which are needed to organize the social responsibility adoption by different types of organizations.	0.033	0.064	0.084	0.52	0.61
Lack of budget.	0.024	0.059	0.060	0.40	0.69
Lack of governmental support.	0.104	0.049	0.317	2.14	0.04

Such constraints may be a result of that most activities of real estate companies remained at the regional and domestic levels.

The study recommends that companies can recognize corporate social responsibility as a useful management tool, if they employ experts and professionals to emerge such management concerns. Expert government departments may be able to play an effective role not just in regulating the companies but also in educating them about the benefits of corporate social responsibility such as promoting social dialogue, ensuring the safety and health at work, and fostering activities of social work and economic growth. For example, government can prepare and publish indices that can potentially measure social responsibility adoption, and can take action in rewarding companies that adopt CSR.

Since interviewed companies were neutral about benefits of CSR adoption, the study suggests that there is a need to activate social responsibility in Jordanian real estate companies using the following framework:

1. It is important that the Jordanian government through its departments and boards would create better awareness about CSR by informing and educating real

estate companies.

2. Governmental departments should encourage companies to adopt CSR by establishing and publishing successful indices that can measure companies' performance in relation to social responsibility.

3. Governmental departments should use CSR indices to reward companies who adopt CSR, as a step towards increasing competition and peer pressure.

4. Jordanian real estate companies should integrate CSR in their management in order to see its potential benefits in the long-run.

5. It would be in the best advantage of these companies to professionalize their management with managers who have expertise in modern management theories and practices.

CONCLUSIONS

CSR has become an important global influence on management strategy. However, in Jordan to some extent, real estate companies have been slow to fully embrace this trend. The study revealed that only six

indices for social responsibilities were implemented by Jordanian real estate companies towards the community:

1. Cooperation with the public sector in developing various infrastructure facilities such as roads, water stations, etc.
2. Programs to promote talents in people with a purpose of benefiting the society in future, which do not include employee development programs meant for benefiting the organization.
3. Financial aid and other support to cultural facilities and events such as libraries, cultural clubs, forums, festive events, etc.
4. Certain supports provided to entrepreneurs and small business with a purpose of reducing unemployment and poverty, including seed and working capital support, infrastructure facilities, and business opportunities.
5. Support provided for health care sector like assistance in establishing hospitals, medical centers, donations for the medical treatment of the poor, contributions for events like community medical camps, etc.
6. Different kinds of assistance given for the establishment and/or the maintenance of public gardens, and other entertainment facilities and locations.

The social responsibility programs of Jordanian real estate companies were extroversion as mandated by the government. It was apparent that companies have failed to think out-of-the-box and realize the benefit of adopting social responsibility within their companies. They lacked a true conviction about the benefits of such programs as a management tool to foster their long-term strategic success.

Limitations and Implications for Future Research

In this study, Jordanian Real Estate companies' participation was voluntary and was conducted at major Jordanian cities (Amman and Irbid), so findings should be interpreted with caution and are not generalizable to all real estate companies in Jordan. More studies on this topic are needed in other cities and with larger samples, in order to detect statistically significant associations between the variables under investigation.

Another potential limitation of this study includes the scope of the research. This study aims to determine the main causes of obligations, motivations, and obstacles that lead to CSR adoption. Future research also needs to explore the effects of more sub-variables, organizational attributes and demographics that were not explored in the current study, which can also directly or indirectly influence CSR adoption by Jordanian Real Estate companies. Also similar studies are recommended to be undertaken in other industries in addition to real estate.

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