

## The Role Of Social Responsibility In Creating Shared Value- Case Study: Raghwa Al Janoub Foundation In Touggourt

Benaissa Rim<sup>1\*</sup>, Zhour Mesghouni<sup>2</sup>

<sup>1\*</sup>University of Eloued, PEDAA laboratory (Algeria), Benaissa-rim@univ-eloued.dz

<sup>2</sup>University of Oued, Growth and Economic Development Laboratory in Arab Countries (Algeria), zhour-mesghouni@univ-eloued.dz

**Article Submitted:** July 20, 2024 **Accepted for Publication:** October 10, 2024 **Article Published Online:** October 15, 2024

---

### Abstract

This study aims to examine the extent to which the adoption of corporate social responsibility (CSR) contributes to the creation of shared value within the Roghoua Al-Janoub Company in Touggourt. The research methodology relied on a documentary survey of books, journals, and previous studies, using a descriptive-analytical approach. To achieve the objectives of the study, 75 questionnaires were distributed to the study sample, of which 68 were returned, with 5 being invalid for analysis. For statistical analysis and deriving conclusions, the SPSS v.21 software was employed. The study found that there is a moderate commitment to both social responsibility and the creation of shared value within Roghoua Al-Janoub Company. Additionally, there is a strong positive correlation, with statistical significance, between the commitment to social responsibility and the creation of shared value in the company.

**Keywords:** Social Responsibility, Shared Value, Value Creation, Roghoua Al-Janoub Company, Touggourt.

### Introduction:

In light of the rapid changes and challenges faced by the global economy, primarily linked to the increasing human demand for goods and services on one hand, and the decreasing availability of natural resources required for production on the other, it has become essential for economic institutions to reconsider the concept of profit maximization and its sustainability. A significant part of ensuring long-term success now depends on adopting developmental strategies and policies that not only ensure individual welfare but also maintain the sustainability of natural resources and production elements.

In this context, the social role of institutions has gained growing importance. Many have sought to adopt effective corporate social responsibility (CSR) programs that take into account the conditions and challenges faced by society. There is no doubt that social responsibility is a cornerstone and an important tool to mitigate the overwhelming effects of globalization. CSR has become a key requirement in reducing poverty by encouraging businesses to create a suitable environment, avoid squandering resources, focus on employment, training, capacity-building, and supporting vulnerable groups. This approach is known as "creating shared value."

### Research Problem:

Corporate social responsibility revolves around the commitment to stakeholders, with an emphasis on its impact on society. Institutions must adopt ethical foundations and values that positively influence the community. However, many business leaders have overlooked the concept of social responsibility and its commitment. This raises the central research question: To what extent does the commitment of the studied institution to its social responsibility contribute to the creation of shared value?

### Research Hypotheses:

To address the research problem, we propose the following hypotheses as temporary answers to the research questions:

- The institution adheres to the dimensions of social responsibility.
- The institution in question creates shared value.
- There is a correlation between the institution's commitment to social responsibility and the creation of shared value.

### Study Structure:

1. **Corporate Social Responsibility (CSR):** Definition, importance, dimensions, and standards for measuring CSR.
2. **Creating Shared Value (CSV):** Definition, dimensions of shared value creation, and the relationship between CSR and shared value.
3. **Empirical Study**
4. **Conclusion**

### Research Methodology and Approach:

This study adopted both a descriptive and analytical methodology. The descriptive approach involved gathering information and data from various sources to form a comprehensive understanding of the studied phenomenon. The analytical approach involved using a questionnaire and analyzing the results from the field study. The statistical analysis was carried out using SPSS software.

### Corporate Social Responsibility (CSR): Definition, Importance, Dimensions, and Standards for Measuring CSR

CSR is a moral and social demand and a prerequisite for achieving comprehensive development. It involves a set of principles that institutions must adhere to. By committing to CSR, institutions can gain numerous benefits both for themselves and for society. Thus, there has emerged a synergy between the economy and society, where institutional decisions must align with the principle of creating shared value. This principle has become crucial as companies are increasingly expected to integrate social and environmental concerns into their decisions, benefiting both society and the environment.

### Definition of CSR:

There are many definitions of CSR, each from a different perspective. However, the common denominator in most definitions is that CSR involves integrating social and environmental concerns into business policies and activities to improve the institution's impact on society.

- **World Bank Definition:** "CSR refers to the contribution of the business sector to achieving developmental goals. It involves considering economic, social, and environmental concerns in a way that maximizes returns while minimizing harm. CSR is voluntary, with legal commitments being the minimum standard of responsibility."
- **World Business Council for Sustainable Development Definition:** "CSR is the continuous commitment by businesses to behave ethically and contribute to economic development while improving the quality of life for the workforce, their families, and society."
- **Drucker's Definition:** "CSR is the organization's commitment to the society in which it operates. This commitment expands to encompass various stakeholders with diverse interests."

### Importance of CSR:

CSR programs might seem like an added burden on institutional budgets, but in reality, they can yield long-term benefits. The importance of CSR includes:

- **For the Institution:** Improving its image in society, financial returns, better employee retention and productivity, and social acceptance.
- **For Society:** Social stability, increased social awareness, and positive interaction between institutions and the wider community.
- **For the State:** Reducing the state's burden in providing essential services, promoting environmental responsibility, and supporting technological advancement and job creation.

### Dimensions of CSR:

Carroll's model, one of the most famous in CSR literature, outlines four main dimensions of CSR:

1. **Economic Responsibility:** Focusing on profitability for stakeholders.
2. **Legal Responsibility:** Ensuring compliance with laws and regulations.
3. **Ethical Responsibility:** Adhering to moral standards and avoiding harm to society.
4. **Social Responsibility:** Contributing voluntarily to societal well-being.

### Standards for Measuring CSR:

- **Social Performance Indicators for Employees:** Ensuring healthy working conditions, workplace ethics, equality, and addressing employee needs.
- **Environmental Performance Indicators:** Waste management and environmental protection efforts.

- **Community Engagement Indicators:** Participation in social and sustainable development initiatives, such as healthcare and education programs.
- **Innovation and Production Development Indicators:** Supporting creativity and providing a conducive environment for effective knowledge utilization.

### Creating Value:

According to agency theory, value creation is based on a contractual relationship between the organization and its stakeholders. Managers are entrusted by shareholders to manage invested capital, with the main goal being to create value for shareholders by maximizing short- and long-term wealth. There are differing perspectives on value creation, with shareholder theory focusing on short-term profits and stakeholder theory emphasizing long-term value for all parties involved. The behavioral theory suggests that innovation and learning are key to creating value.

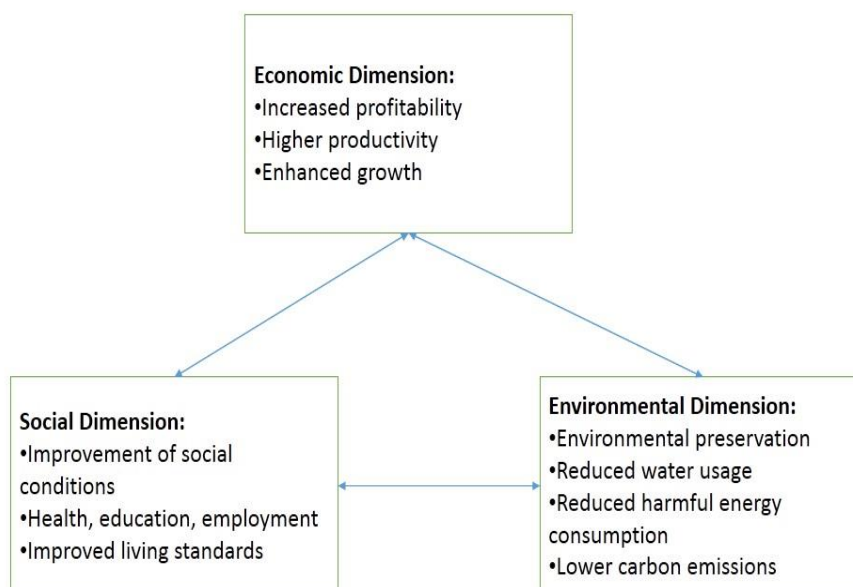
### Definition of Shared Value:

According to Kramer & Porter, shared value refers to "operational policies and practices that enhance a company's competitiveness while simultaneously improving the economic and social conditions in the communities in which it operates." Shared value creation allows for mutual growth and development for both businesses and society. It focuses on profits that benefit society rather than reducing societal benefits.

Dimensions of Creating Shared Value:

The dimensions of shared value can be illustrated as shown in the following figure:

(Figure 1: Dimensions of Creating Shared Value)



**Source:** Terima Iman, Motref Awatif, *The Contribution of Social Responsibility Commitment in Embodying the Concept of Creating Shared Value – A Case Study of Almarai Company*, Journal of Contemporary Economic Research, Volume 06/Issue 02, Badji Mokhtar University, Annaba, 2023, pp. 94-95.

### Relationship between Social Responsibility and Shared Value:

The majority of organizations work with stakeholders by offering grants, where grant-giving institutions gain social advantages from the organizations they support. Institutions create value when their activities generate social benefits that go beyond the purchasing power of their grants. The table below illustrates the needs and aspirations of each stakeholder and their contribution to creating value:

**Table 2: Needs and Aspirations of Each Stakeholder and Their Contribution to Creating Value**

Stakeholders	Needs and Aspirations	Contribution to Creating Value
Shareholders	Dividends and increased stock value	Reducing debt risk
Workers	Income, job security, and training	Developing human capital, innovation, and cooperation
Customers	Quality, services, safety, and prices	Loyalty, reputation enhancement, and frequent purchasing
Suppliers	A stable and sustainable supply relationship	Efficiency and consistent delivery timelines
Environment	Reducing pollution	Commitment to environmental regulations
Government	Respect for laws, employment, and taxation	Licensing and macroeconomic support
Society	Combating poverty and unemployment	Safeguarding the rights of future generations
Pressure Groups	Transparency and respect for values	Legitimacy and the right to operate

Although each group contributes to creating value, the emergence of added value will only be achieved through the integration of all efforts with supportive strategies from institutions, such as:

- Enhancing the organization's distinction from competitors through the interaction of several determinants, such as technological advancement and market knowledge.
- Allocating costs by controlling production factors and optimizing their use to increase productivity.
- Achieving management efficiency through linkage with various institutional activities.

## Practical Study

### Study Population and Sample:

#### First – Study Population:

According to the field approach of this study, the subject relates to the extent to which the organization under study adopts social responsibility dimensions and how this contributes to creating shared value. The study population consists of 194 workers at "Ragwa Al-Janoub" company, all of whom possess various qualifications and experiences.

#### Second – Study Sample:

Due to the difficulty of covering the entire population in the study, caused by some workers' refusal to answer the questionnaire and the challenge of surveying the entire study population, the study was limited to a representative sample selected randomly from employees of Ragwa Al-Janoub in Touggourt. The questionnaire was distributed to a sample of 75 workers, 68 of which were returned. Five of these were excluded for not being suitable for analysis due to incomplete answers or multiple responses to the same statement. Thus, the total number of valid questionnaires for analysis was 63, representing 84% of the distributed questionnaires. Below is a table showing the number of questionnaires distributed, returned, and those that were invalid for statistical processing:

**Table 3: Study Sample**

#### Questionnaires Number

Number of distributed questionnaires 75

Number of retrieved questionnaires 68

Number of canceled questionnaires 05

Number of valid questionnaires 63

Table 3: Study Sample	
Questionnaires	Number
Number of distributed questionnaires	75
Number of retrieved questionnaires	68
Number of canceled questionnaires	05
Number of valid questionnaires	63

Source: Prepared by the researcher.

### Study Tools and Statistical Methods Used

**First: Study Tools:** A questionnaire was prepared after determining the dimensions and components of the subject, and understanding the importance of the required information and its relevance to the topic, as follows:

- **First Section:** Statements measuring the institution's commitment to the dimensions of social responsibility, consisting of 20 statements. This section was divided into 4 sub-dimensions based on stakeholders benefiting from social responsibility commitment.
  - **First Dimension:** Responsibility towards owners, consisting of 5 statements.
  - **Second Dimension:** Responsibility towards the community, consisting of 5 statements.
  - **Fourth Dimension:** Responsibility towards the environment, consisting of 5 statements.
  - **Fifth Dimension:** Responsibility towards employees, consisting of 5 statements.
- **Second Section:** Statements measuring the creation of shared value through the commitment to social responsibility, consisting of 10 statements.

### Validity and Reliability of the Study Tool

To determine the consistency and validity of the questionnaire's statements, Pearson Correlation was calculated. The results showed that the statements and sections of the study tool were valid and consistent for analysis. To measure the reliability of the questionnaire, Cronbach's Alpha test was used, and the results are shown in the following table:

**Table 4: Study Tool Reliability**

Dimensions:	Item number	alpha
Commitment to Social Responsibility towards Owners	5	0,910
Commitment to Social Responsibility towards Society	5	0,685
Commitment to Social Responsibility towards the Environment	5	0,493
Commitment to Social Responsibility towards Employees	5	0,835
Overall Commitment to Social Responsibility	20	0,903

Source: Prepared by the researcher based on SPSS program outputs.

From the table above, we observe that the reliability coefficient for the variable "commitment to social responsibility" reached 90%, which is a high percentage and sufficient for the purposes of the study. This indicates a high level of reliability, meaning the results of the questionnaire on social responsibility commitment would remain stable and not change significantly if it were redistributed to the sample members. As for the dimensions, they ranged between 49% and 91%, most of which are acceptable percentages.

### Presentation and Analysis of Hypothesis Testing Results

1. **First Hypothesis Test:** To answer the first question, which states: "Does Raghwa Al-Janoub Company adhere to the principles of social responsibility?" the arithmetic means and standard deviations were calculated for the responses of the study sample members, according to each field of the study, which are: (commitment to social responsibility towards owners, commitment to social responsibility towards society, commitment to social responsibility towards business ethics, commitment to social responsibility towards the environment, commitment to social responsibility towards employees, commitment to social responsibility towards the law), as well as the overall field. The following tables illustrate this:

**Table 5: Arithmetic Means and Standard Deviations for the Study Sample Responses on the Dimensions of Social Responsibility**

Paragraph Number	Dimensions	Mean	Standard Deviation	Level
1	Commitment to Social Responsibility towards Owners	1.92	0.73	Low
2	Commitment to Social Responsibility towards Society	2.60	0.68	Medium
3	Commitment to Social Responsibility towards the Environment	2.03	0.51	Low
4	Commitment to Social Responsibility towards Employees	3.35	0.76	Medium
5	Overall Mean Commitment to Social Responsibility	2.34	0.50	Low

Source: Prepared by the researcher based on SPSS program outputs.

Table 5 shows that the arithmetic means for social responsibility commitment are low overall, with an arithmetic mean of 1.92 and a standard deviation of 0.73. At the level of dimensions, namely (commitment to social responsibility towards owners and commitment to social responsibility towards the environment), they also scored low, except for the dimensions (commitment to social responsibility towards society and commitment to social responsibility towards employees), which were rated at a medium level.

The analysis results indicate that the level of commitment to social responsibility at Raghwa Al-Janoub Company is low. This suggests that the company does not fully recognize the importance of social responsibility and needs to commit to responsibilities towards its investors, consumers, employees, society, and the surrounding environment. The social responsibility activities of Raghwa Al-Janoub Company appear to be limited to areas such as charitable work and concern for the community and environment, such as distributing Ramadan food baskets annually as social assistance for employees. The company also significantly attends to its employees' responsibilities, whether medically, preventatively, or in terms of appropriate work scheduling, as noted in the previous table where the commitment to social responsibility towards employees and the community were rated at a medium level compared to the other dimensions, which were rated low. The company also engages in sports activities for its employees and sometimes coordinates with other institutions to break the work routine. However, the study sample responses reveal that the company's commitment to social responsibility towards the environment and owners is weak. Thus, the first hypothesis "Raghwa Al-Janoub Company adheres to social responsibility dimensions" is only partially achieved. Below is a detailed presentation of the statements that measure the degree of commitment to social responsibility at Raghwa Al-Janoub Company according to each field:

#### A. Commitment to Social Responsibility towards Owners:

The arithmetic means and standard deviations for each statement representing the responses of the study sample members on the commitment to social responsibility towards owners were calculated. The following table illustrates this:

**Table 6: Responses of the Study Sample on the Dimension of Commitment to Social Responsibility towards Owners**

Paragraph Number	Statements	Mean	Standard Deviation	Level
1	The organization strives to achieve and maximize profits transparently	1.91	0.81	Low
2	The organization respects the principle of not harming competitors even if it means forgoing its own profit	2.09	1.01	Low
3	The organization acquires the latest technologies to facilitate operations and increase its revenue	1.82	0.73	Low
4	The organization works to strengthen its competitive position in the market	1.87	0.81	Low
5	The organization always seeks optimal resource utilization to reduce costs and increase revenue	1.93	0.86	Low
6	Overall Mean for Commitment to Social Responsibility towards Owners	1.92	0.73	Low

**Source:** Prepared by the researcher based on SPSS program outputs.

Table 6 shows that the overall average for the dimension of commitment to social responsibility towards owners is low, with an arithmetic mean of 1.92 and a standard deviation of 0.73. The statement "The institution respects the principle of not harming competitors even if it means sacrificing its profit" ranked first with an arithmetic mean of 2.09 and a low rating. The statement "The institution always strives to make optimal use of resources to reduce its costs and increase its revenues" ranked second with an arithmetic mean of 1.93 and a low rating. The statement "The institution seeks to achieve and maximize profits through transparent methods" ranked third with an arithmetic mean of 1.91 and a low rating. The statement "The institution works to strengthen its competitive position in the market" ranked fourth with an arithmetic mean of 1.87 and a low rating. Finally, the statement "The institution acquires the latest technologies to facilitate operations and increase its income" ranked last with an arithmetic mean of 1.82 and is also rated low.

The results indicate that the dimension of commitment to social responsibility towards owners ranks fifth compared to other study dimensions. This suggests that the institution does not place significant importance on social responsibility towards owners, as reflected in the low ratings from the study sample. It appears that the institution prioritizes the interests of its stakeholders and community needs when making decisions, aligning its interests with those of the community and adhering to specific commitments.

#### B. Commitment to Social Responsibility towards the Community:

The arithmetic means and standard deviations for each statement representing the responses of the study sample members on the dimension of commitment to social responsibility towards the community were calculated. The following table illustrates this:

**Table 7: Responses of the Study Sample on the Dimension of Commitment to Social Responsibility towards the Community**

Paragraph	Statements	Mean	Standard Deviation	Level
1	The organization contributes to charitable activities such as donating to charities, assisting patients, etc.	2.30	1.04	Low
2	The organization helps alleviate unemployment by providing job opportunities	2.69	1.28	Medium
3	The organization employs people with special needs	3.48	0.93	High
4	The organization had social initiatives during the COVID-19 pandemic	2.32	0.90	Low
5	The organization supports sports activities	2.24	0.95	Low
6	Overall Mean for Commitment to Social Responsibility towards Society	2.60	0.68	Medium

**Source:** Prepared by the researcher based on SPSS program outputs.

Table 7 shows that the overall average for the dimension of commitment to social responsibility towards the community is moderate, with an arithmetic mean of 2.60 and a standard deviation of 0.68. The statement "The institution employs people with special needs" ranked first with an arithmetic mean of 3.48 and a high rating. The statement "The institution contributes to reducing unemployment by providing job positions" ranked second with an arithmetic mean of 2.69 and a moderate rating. The statement "The institution had specific social initiatives during the COVID-19 pandemic" ranked third with an arithmetic mean of 2.32 and a low rating. The statement "The institution contributes to charitable activities such as donating to associations, helping patients, etc." ranked fourth with an arithmetic mean of 2.30 and a weak rating. Finally, the statement "The institution supports sports activities" ranked last with an arithmetic mean of 2.24 and is also rated low.

The results indicate that the dimension of commitment to social responsibility towards the community ranks second compared to other study dimensions. This suggests that the institution places importance on social responsibility towards the community. It recognizes that its role should not be limited to its business operations but should also encompass contributing positively to society through investing in developmental projects, providing direct and indirect support to charitable organizations, adhering to community laws, promoting ethical values and social solidarity, and addressing crises and disasters. Additionally, the institution works to provide job opportunities for various community members. The statement "The institution employs people with special needs" received the highest arithmetic mean, indicating a strong focus on community improvement and job creation.

### C. Commitment to Social Responsibility towards the Environment:

The arithmetic means and standard deviations for each statement representing the responses of the study sample members on the dimension of commitment to social responsibility towards the environment were calculated. The following table illustrates this:

**Table 8: Responses of the Study Sample on the Dimension of Commitment to Social Responsibility towards the Environment**

Paragraph	Statements	Mean	Standard Deviation	Level
1	The organization relies on environmentally friendly methods and equipment	1.77	0.63	Very Low
2	The organization uses modern methods in product design to help reduce waste	1.79	0.81	Very Low
3	The organization contributes to reforestation campaigns and eco-friendly activities	3.30	1.08	Medium
4	Protecting the environment is considered a key aspect of the organization's culture	1.93	1.14	Low
5	The organization prohibits smoking within its premises	1.35	0.70	Very Low
	Overall Mean for Commitment to Social Responsibility towards the Environment	2.03	0.51	Low

**Source:** Prepared by the researcher based on SPSS program outputs.

Table 8 shows that the overall average for the dimension of commitment to social responsibility towards the environment is low, with an arithmetic mean of 2.03 and a standard deviation of 0.51. The statement "The institution contributes to tree planting campaigns and environmentally friendly activities" ranked first with an arithmetic mean of 3.30 and a moderate rating. The statement "Protecting the environment is one of the core aspects of the institution's culture" ranked second with an arithmetic mean of 1.93 and a low rating. The statement "The institution uses modern methods in product design to reduce waste" ranked third with an arithmetic mean of 1.79 and a very low rating. The statement "The institution

relies on environmentally friendly methods and machines" ranked fourth with an arithmetic mean of 1.77 and a very low rating. Finally, the statement "The institution bans smoking within its premises" ranked last with an arithmetic mean of 1.35 and is also rated very low.

The results indicate that the dimension of commitment to social responsibility towards the environment ranks fourth compared to other study dimensions. This suggests that the institution does not place significant importance on social responsibility towards the environment, as all statements in this dimension received low to very low averages except for the statement "The institution contributes to tree planting campaigns and environmentally friendly activities," which had a moderate rating. Despite the environment being a crucial element in social responsibility that organizations should consider in their activities—by choosing production methods that reduce toxic waste, consuming less energy, and using materials that are environmentally friendly and recyclable—this aspect appears to be underemphasized.

#### D. Commitment to Social Responsibility towards Employees:

The arithmetic means and standard deviations for each statement representing the responses of the study sample members on the dimension of commitment to social responsibility towards employees were calculated. The following table illustrates this:

**Table 9:** Responses of the Study Sample Regarding the Dimension of Commitment to Social Responsibility towards Employees

Paragraph Number	Statements	Mean	Standard Deviation	Level
1	The organization provides a suitable work environment for its employees to perform tasks easily (transportation, dining, etc.)	3.27	0.96	Medium
2	The organization is committed to the principle of equal opportunities for all employees	3.19	1.09	Medium
3	The organization acknowledges the work of labor unions and listens to their requests	3.41	0.91	High
4	The organization works to recognize and motivate outstanding and creative employees	3.45	1.06	High
5	Employees' families benefit from advantages provided by the organization, such as summer camps and recognition of outstanding children	3.45	0.89	High
	Overall Mean for Commitment to Social Responsibility towards Employees	3.35	0.76	Medium

Source: Prepared by the researcher based on the outputs of the SPSS program.

Table (9) shows that the overall mean for the dimension of social responsibility towards employees is at a medium level, with a mean of (3.35) and a standard deviation of (0.76). Item (5), which states "Employees' families benefit from advantages provided by the organization, such as summer camps and recognition of outstanding children," ranked first with a mean of (3.45) and a high level. This is followed by item (4), which states "The organization works to recognize and motivate outstanding and creative employees," also with a mean of (3.45) and a high level.

Item (3), which states "The organization acknowledges the work of labor unions and listens to their requests," came in third place with a mean of (3.41) and a high level. Meanwhile, item (2), which states "The organization provides a suitable work environment for its employees to perform tasks easily (transportation, dining, rest areas)," ranked fourth with a mean of (3.27) and a medium level. Lastly, item (2), which states "The organization is committed to the principle of equal opportunities for all employees," came in last place with a mean of (3.19) and a medium level.

The results indicate that the dimension of social responsibility towards employees ranked first compared to other study dimensions. This suggests that the organization is socially committed to its employees, as evidenced by the study sample's responses. The organization appears to value social responsibility towards employees at a medium level. It is understood that the commitment has a positive impact on the employees, and spending on their health, social, and recreational welfare is seen as an investment for the organization. The more the employees' health, physical, and psychological needs are met, the more their productivity, both in quantity and quality, increases.

**Testing the Second Hypothesis:** To address the second question, "Is there value creation at Raghwa Al-Janoub Corporation?" the means and standard deviations of the study sample's responses regarding value creation at Raghwa Al-Janoub Corporation were calculated as follows:



**Table 10: Study Sample Responses on Value Creation**

Paragraph Number	Statements	Mean	Standard Deviation	Level
1	The social activities conducted by the organization lead to maximizing its profits and increasing its market share	1.90	0.94	Low
2	The organization's commitment to social responsibility helps attract skilled and distinguished human resources	2.35	1.05	Low
3	Social responsibility is considered a competitive advantage that differentiates the organization from others	2.33	1.02	Low
4	The organization meets most of its employees' professional and social needs to enhance their productivity	2.62	1.32	Medium
5	The social activities conducted by the organization contribute to improving its image and reputation	2.25	1.05	Low
6	The organization is expanding its production base by establishing new branches	2.74	1.34	Medium
7	Your organization allocates part of its products to meet special needs of some customers, such as patients	1.69	0.71	Very Low
8	High technology has contributed to reducing production costs at all stages	1.95	0.75	Low
9	Good commitment to social responsibility increases the organization's chances of obtaining international standards certifications	2.04	0.96	Low
10	The organization contributes to developing the circular economy by producing eco-friendly products	2.87	1.29	Medium
11	Overall Mean for Value Creation	2.27	0.68	Low

**Source: Prepared by the researcher based on the outputs of the SPSS program**

**Table 10: Responses of the Study Sample Regarding the Dimension of Creating Shared Value**

The table shows that the overall average for creating shared value is low, with a mean of (2.27) and a standard deviation of (0.68). The statement numbered (10), which reads "The organization contributes to the circular economy by producing environmentally friendly products," ranked first with a mean of (2.87) and a moderate degree. The statement numbered (6), "The organization works to expand its production base by establishing new branches in remote and poor areas," ranked second with a mean of (2.74) and a moderate degree. The statement numbered (4), "The organization meets most of the professional and social needs of its workers to enhance their productivity," ranked third with a mean of (2.62) and a moderate degree. The statement numbered (2), "The organization's commitment to social responsibility helps attract skilled and distinguished human resources," ranked fourth with a mean of (2.35) and a standard deviation of (1.05), and a low degree. The statement numbered (3), "Social responsibility is a competitive advantage that distinguishes the organization from others," ranked fifth with a mean of (2.33) and a standard deviation of (1.02), and a low degree. The statement numbered (5), "The social activities carried out by the organization contribute to improving its image and reputation," ranked sixth with a mean of (2.25) and a standard deviation of (1.05), and also a low degree. The statement numbered (9), "Good commitment to social responsibility increases the organization's chances of obtaining international standards certifications," ranked seventh with a mean of (2.04) and a standard deviation of (0.96), and a low degree. The statement numbered (8), "High technology has helped reduce production costs at all stages," ranked eighth with a mean of (1.95) and a standard deviation of (0.75), and a low degree. The statement numbered (1), "The social activities carried out by the organization lead to maximizing its profits and increasing its market share," ranked ninth with a mean of (1.90) and a standard deviation of (0.94), and a low degree. The statement numbered (7), "Your organization allocates part of its products to meet the special needs of certain customers, such as patients," ranked last with a mean of (1.69) and a standard deviation of (0.71), and a very low degree.

The results indicate that the creation of shared value at Ragwa Al-Janoub is low. This suggests that despite all the efforts and diverse social activities aimed at improving its market share and reputation while linking this to community interests and seeking to create financial value by meeting community needs, the shared value at the organization remains low. Thus, the second hypothesis "There is creation of shared value at Ragwa Al-Janoub" is achieved to a certain extent.

**3. Testing the Third Hypothesis:** To answer the question, "Is there a correlation between Ragwa Al-Janoub's commitment to social responsibility and its creation of shared value?" Pearson correlation coefficients and simple linear regression were calculated, as shown in the following tables:

**Table 11: Pearson Correlation Coefficient between Commitment to Social Responsibility and Creation of Shared Value**

**Pearson Correlation Coefficient Significance Level (sig)**

Social Responsibility and Value Creation \*\*.791

	Significance Level (sig)	Pearson Correlation Coefficient
Social Responsibility and Value Creation	0,000	0,791**

**Source: Prepared by the researcher based on the outputs of the SPSS program**

From Table 11, we observe that the significance value (sig) is (0.00), which is less than (0.05), indicating a statistically significant correlation between social responsibility commitment and creation of shared value at Ragwa Al-Janoub. The Pearson correlation coefficient is (0.79), which is a positive value. This indicates a positive correlation between the two variables, meaning that as the commitment to social responsibility increases, the creation of shared value also increases. Since this value is greater than (0.7), it suggests a strong positive correlation between the two variables. This result is expected because the organization's commitment to social responsibility offers numerous benefits, the most important of which is creating shared value. When the organization adheres to ethical behavior, works on improving the quality of life for its employees, contributes to economic development, and maintains transparency and respect for the environment and society as a whole, it achieves sustainable value, providing economic benefits for itself while also benefiting the community in which it operates. Therefore, the third hypothesis "There is a correlation between Ragwa Al-Janoub's commitment to social responsibility and its creation of shared value" is validated.

**Table 12: Calculation of Simple Linear Regression**

Standard Error of Estimate	Adjusted R <sup>2</sup>	R <sup>2</sup> Coefficient of Determination	R Correlation Coefficient	Model
0,412	0,619	0,625	0,791	1

**Source: Prepared by the researcher based on SPSS outputs.**

The table shows that the linear correlation coefficient between social responsibility commitment and creating shared value is 0.790.790.79, indicating a strong positive correlation as highlighted in the previous table. The explanatory power is 0.620.620.62, meaning that 62% of the shared value created by the institution under study is attributed to its commitment to social responsibility.

Creating shared value has become a pressing necessity as institutions must integrate social responsibility into their decisions, aligning with community and environmental interests. Simultaneously, creating shared value can benefit the community where the institution operates and enhance its competitive capacity.

Creating shared value combines achieving economic value for the institution with social benefits. For an institution aiming for long-term success and competitive advantage, investing in social and environmental goals is crucial. Therefore, when an institution commits to social responsibility, it indirectly creates shared value, either without prior knowledge or planning or as a deliberate strategy to create shared value. This approach treats social issues from a self-interest perspective, emphasizing that doing good is meant to achieve economic success rather than purely for altruism.

The remaining 38% is attributed to other factors, such as maximizing financial returns for shareholders, which may involve focusing on cost reduction, increasing revenue, or implementing more efficient and effective administrative processes compared to competitors.

**Table 13: Pearson Correlation Coefficients Between Dimensions of Social Responsibility Commitment and Creating Shared Value**

Significance Level (sig)	Creating Shared Value	
	Pearson	Correlation Coefficient
0,000	0,468**	Commitment to Social Responsibility towards Owners
0,000	0,557**	Commitment to Social Responsibility towards Society
0,000	0,476**	Commitment to Social Responsibility towards Environment
0,000	0,607**	Commitment to Social Responsibility towards Employees

**Source: Prepared by the researcher based on SPSS program outputs**

From Table (13), we observe a statistically significant correlation between the dimensions of the independent variable, social responsibility (commitment to social responsibility towards owners, commitment to social responsibility towards the community, commitment to social responsibility towards business ethics, commitment to social responsibility towards

the environment, commitment to social responsibility towards employees, and commitment to social responsibility towards the law) and the dependent variable, Creating Shared Value. The highest correlation value was between (commitment to social responsibility towards employees and Creating Shared Value) at (60%), followed by the correlation value between (commitment to social responsibility towards the community and Creating Shared Value) at (55%). The lowest correlation was between (commitment to social responsibility towards owners and Creating Shared Value) at (46%).

### Study Results:

1. **Hypothesis One: "The Raghwa Al-Janoub Foundation adheres to the principles of social responsibility"** To test this hypothesis, we calculated the mean and standard deviations of the study sample responses for each dimension of social responsibility (commitment to social responsibility towards owners, commitment to social responsibility towards the community, commitment to social responsibility towards business ethics, commitment to social responsibility towards the environment, commitment to social responsibility towards employees, and commitment to social responsibility towards the law) and the overall dimension. It was found that the overall average for commitment to social responsibility was low, with a mean of (1.92) and a standard deviation of (0.73). At the level of dimensions, (commitment to social responsibility towards owners, commitment to social responsibility towards business ethics, commitment to social responsibility towards the environment, and commitment to social responsibility towards the law) also showed low levels, except for (commitment to social responsibility towards the community and commitment to social responsibility towards employees), which were at a moderate level. Thus, Hypothesis One "The Raghwa Al-Janoub Foundation adheres to the principles of social responsibility" is partially achieved.
2. **Hypothesis Two: "There is Creating Shared Value at the Raghwa Al-Janoub Foundation"** To verify this hypothesis, we calculated the mean and standard deviations of the study sample responses regarding Creating Shared Value at the Raghwa Al-Janoub Foundation. It was found that the overall mean for Creating Shared Value was low, with a mean of (2.27) and a standard deviation of (0.68). Therefore, Hypothesis Two "There is Creating Shared Value at the Raghwa Al-Janoub Foundation" is partially achieved.
3. **Hypothesis Three: "There is a correlation between the Raghwa Al-Janoub Foundation's commitment to social responsibility and its creation of Shared Value"** To test this hypothesis, we calculated the Pearson correlation coefficient between social responsibility and Creating Shared Value at the Raghwa Al-Janoub Foundation. It was found that there is a strong positive and statistically significant correlation between social responsibility and Creating Shared Value, with a significance value (sig) of (0.00), which is less than (0.05), and a correlation coefficient of (0.79). Thus, Hypothesis Three "There is a correlation between the Raghwa Al-Janoub Foundation's commitment to social responsibility and its creation of Shared Value" is achieved.

### Practical Results:

- There is a lack of culture of commitment to social responsibility among the managers of Raghwa Al-Janoub Foundation and limited awareness of the subject, as observed in our field study.
- The application of the Creating Shared Value model at the economic institution under study was relative due to the low level of social responsibility practice.
- The institution's commitment to social responsibility towards the community through donations, financial assistance, employment, and initiatives during the COVID-19 pandemic, including not laying off workers and adopting a method of reducing wages and workdays while maintaining a shift system, helped preserve family incomes and reduce unemployment.
- There is a low level of social responsibility towards employees, which may create job dissatisfaction, reflecting on their performance, production, and the institution's competitiveness.
- The commitment to social responsibility at Raghwa Al-Janoub Foundation is not a deliberate priority, with achievements leaning more towards humanitarian aspects.

### Recommendations:

- A thorough understanding of the concept of social responsibility and how to adopt and apply it to create shared value within the institution.
- Social responsibility should not be limited to donations, advertising campaigns, and charitable initiatives but should extend to addressing unmet needs through adopting a strategy of creating shared value.
- The institution should adopt and develop social responsibility towards employees, aiming for job satisfaction, motivation, and production to achieve competitive value and sustainability in the market, maintaining existing competencies as part of its overall policy.

- The institution should explore leading practices in social responsibility and Creating Shared Value and benefit from them.
- Social responsibility should be adopted correctly by the institution to create a better market position both nationally and globally.
- The institution should seriously engage with social responsibility programs to create shared value, as neglecting these programs weakens its competitiveness, image, and reputation.

#### References:

1. Saleh Hammouri, Rola Al-Ma'ayta, *Corporate Social Responsibility from A to Z*, Dar Knouz Al-Ma'arifa for Publishing and Distribution, 2015, Jordan, pp. 16, 17.
2. Wahiba Mokadem, *Evaluation of the Response of Business Organizations in Algeria to Social Responsibility: An Empirical Study on a Sample of Western Algerian Institutions*, PhD Thesis, Department of Management Sciences, Faculty of Economic Sciences and Commercial Sciences, University of Oran, 2014, p. 72.
3. Mohamed Flaq, *Corporate Social Responsibility of Arab Oil Companies: A Case Study of Sonatrach Algeria and Saudi Aramco*, Al-Bahith Journal, Issue 12, University of Hassiba Ben Bouali - Chlef, 2012, p. 5.
4. Ni'ma Abbas Al-Khafaji and Tahr Al-Mohsen Al-Ghalbi, *Readings in Contemporary Administrative Thought*, Dar Al-Yazuri Scientific Publishing and Distribution, Amman, Jordan, 2008, p. 289.
5. Samira Laghwil and Nawal Zemali, *Social Responsibility: Concept - Dimensions - Criteria*, Journal of Human and Social Sciences, University of Tebessa, Issue 27, December 2016, p. 305.
6. Wahiba Mokadem, *Economics of the Environment and Social Responsibility: The Role of Social Responsibility of Business Enterprises in Supporting Environmental Management Systems to Achieve Sustainable Development*, 2009, p. 17. Available at: [www.iefpedia.com/arab/wp](http://www.iefpedia.com/arab/wp), accessed on: 01/04/2024, at 22:10.
7. Piotr Wojcik, *How Creating Shared Value Differs from Corporate Social Responsibility*, Journal of Management and Business Administration. Central Europe, Vol. 24 No 2, 2016, p. 2.
8. World Academy of Science, Engineering and Technology, *International Journal of Social, Behavioral, Educational, Economic, Business and Industrial Engineering*, Vol: 10, No: 8, 2016, p. 2445.
9. Mariam Bajjouj, *The Role of Adopting Social Responsibility in Creating Shared Value for the Economic Institution*, Master's Thesis, University of Qasdi Merbah - Ouargla, Faculty of Economic Sciences and Commercial Sciences, 2018, pp. 15-16.
10. Mariam Bajjouj, *The Previous Reference*, p. 16.

**Appendices** Statistical Analysis Outputs using SPSS Program Social Responsibility and Its Role in Creating Shared Value

#### Récapitulatif de traitement des observations

	N	%
Observations Valide	62	100,0
Exclue <sup>a</sup>	0	,0
Total	62	100,0

a. Suppression par liste basée sur toutes les variables de la procédure.

#### Statistiques descriptives

	N	Moyenne	Ecart type
المسؤولية_الاجتماعية	62	2,3441	,50208
القيمة_المشتركة	62	2,2790	,66804
N valide (liste)	62		

#### Statistiques de fiabilité

Alpha de Cronbach	Nombre d'éléments
,837	10

#### Statistiques de fiabilité

Alpha de Cronbach	Nombre d'éléments
,910	5

#### Statistiques de fiabilité

Alpha de Cronbach	Nombre d'éléments
,685	5

#### Statistiques de fiabilité

Alpha de Cronbach	Nombre d'éléments
,493	5

#### Statistiques de fiabilité

Alpha de Cronbach	Nombre d'éléments
,835	5

#### Corrélations

		المسؤولية_الاجتماعية	القيمة_المشتركة
المسؤولية_الاجتماعية	Corrélation de Pearson	1	,791**
	Sig. (bilatérale)		,000
	N	62	62
القيمة_المشتركة	Corrélation de Pearson	,791**	1
	Sig. (bilatérale)	,000	
	N	62	62

\*\* . La corrélation est significative au niveau 0.01 (bilatéral).

#### Simple Linear Regression

#### Récapitulatif des modèles

Modèle	R	R-deux	R-deux ajusté	Erreur standard de l'estimation
1	,791 <sup>a</sup>	,625	,619	,41225

a. Prédicteurs : (Constante), المسؤولية\_الاجتماعية

#### Coefficients<sup>a</sup>

Modèle	Coefficients non standardisés		Coefficients standardisés	t	Sig.
	B	Ecart standard	Bêta		
1 (Constante)	-,188	,252		-,744	,460
المسؤولية_الاجتماعية	1,052	,105	,791	10,009	,000

a. Variable dépendante : القيمة\_المشتركة