The Effect of Social Responsibility in Achieving Competitive Advantage: Field Study in the Governmental and Private Hospitals in Jordan

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Abstract

The study aimed at identifying the effect of social responsibility in achieving competitive advantage through exploring the opinions of the searched working managers of high administrations in (44) governmental and private hospitals in Jordan. The sample consisted of (65) managers working at high administrations of the hospitals included in the study. The study found a statistical significant influence of social responsibility (responsibility towards the environment, responsibility towards consumers, responsibility towards local society) on achieving competitive advantage (cost reduction, innovation and renovation) in the governmental and private hospitals. The study recommended the reinforcement of governmental and private hospitals concern in objectivity, independence, ability to consider interests balance, checking the capability of work proficiency and assuring the importance of integrity and transparency to affirm impartiality and avoid any side effects as they have clear influence on the competitive advantage according to the perspective of the study sample. Finding and activating special morals related to the environment adhered every day. The necessity of understanding, studying and analyzing the elements that constitute social responsibility principles being one of the most important foundations to insure the success and permanency of the company especially under the diversity. Branching and complication of work risks.

Keywords: business morals, social responsibility, competitive advantage, industrial companies.

Introduction

Social responsibility is a strategic decision adopted by an organization, executed and activated through different activities. Organization differ in the level of adopting social responsibility as some of them apply it by the force of law and so provide the society with less than required, while others apply it voluntarily and willingly wishing to contribute in improving the society.

The boundaries of each organization’s responsibility are determined through its social performance and the sum of benefit it realizes for the society. By considering the social aspects of the environment, participating in social development and giving up the philosophy of exalting profit as a sole target and with responses of business organizations to the concepts and notions of social responsibility, legal legislations and rules were placed to give those concepts and notions the quality of obligation. Social responsibility is regarded as one of the issues that received great attention in the advanced countries long ago as they have incorporated it within their plans, arranged wide enlightenment campaigns to urge companies to embrace this responsibility, expend for this field and help the government in solving the problems of society.
International challenges as globalization also contributed in increasing the organizations’ attention in their organizational culture and human resources as well as becoming more responsive to business ethics and their performance to their social responsibilities that demand achieving socially responsible deeds towards working individuals and other parts in their external context to implement the social performance expectations of society including their social responsibility in general and towards their working members in particular.

This research aims at identifying the effect of social responsibility in achieving the competitive advantage through a field study in governmental and private hospitals in Jordan, and through the perspective of the working managers in the high directorates of those hospitals.

The Research’s Problems: It is commonly agreed that business organizations are not charities, and that their premier obsession is realizing the highest possible profit ranges, Hereupon crystallized the necessity of reminding companies of their social responsibilities to make profits result from ethically legally acceptable practices. Furthermore, the main role played by companies, being the key source of wealth, modernization and generating work opportunities, obliges them to fulfill their social duties according to modern conceptions. In addition, the economic, social and environmental developments in an instantly changing age also compel them to act in that direction. Hence, this study, represented in its problem, will try to answer the question: Is there an effect of the social responsibility (responsibility towards the environment, responsibility towards consumers, responsibility towards local society) in achieving the competitive advantage (cost reduction, innovation and renovation) in the governmental and private hospitals in Jordan?

Purpose of the Research

This research seeks to clarify the general frame of social responsibility and competitive advantage and identify its various aspects as well as identifying the effect of social responsibility in a achieving the competitive advantage through exploring the opinions of researched working managers in high directorates in the governmental and private hospitals in Jordan.

The Importance of the Research

The importance of the research stems from the fact that it handles an important and effective issue in the economic, social and environmental lives of individuals and society, namely social responsibility. In the light of what was pointed out by the studies conducted by "commercial business employment in favor of social responsibility organization" in the United States of America in that the business organizations which balance between their interests and the interests of stock-holders had realized growth-rates and skilled workers generations rates four times what had been realized by other companies. Therefore, the results of this study may contribute in directing the attention of decision makers in the hospitals and health sector in Jordan to the concept of social responsibility and its role its role in achieving high leveled performance plus distinguishing business organizations in competitive atmosphere.

The research’s hypothesis

There is no statistically significant effect of social responsibility (responsibility towards the environment, responsibility towards local society) on achieving competitive advantage (cost reduction, innovation and renovation) in the governmental and private hospitals.

Procedural Definitions

Social responsibility: It is the responsibility of the hospital for the effects of its decisions and activities on the society, environment and patients through transparency and ethical behavior that harmonize with the sustainable development and welfare of society as well as taking the patients and shareholders’ expectations into consideration. Social responsibility towards the environment: It means the kinds of social responsibility initiatives concerned with the natural environment of water, air, soil and creatures, the indicators of which are represented in connecting the environmental performance with the hospital’s mission, reducing the environmental risks, the existence of ethical codes, sharing the board of directors with representatives of the environment and giving rewards and incentives to the workers distinguished with environmental activities.
Social responsibility towards consumers: It means the kinds of social responsibility initiatives concerned with patients and which are provided by hospitals including services with suitable prices and high quality.

Social responsibility towards local society: It is the hospitals responsibility towards issues that concern society through consolidating the relationship with the local society. Those indicators include supporting the infrastructure, respecting traditions, in violating general's rules and manners, fighting administrative corruption and bribery, supporting civil community organizations and supporting social activities, scientific centers and educational institutes.

Competitive advantage: It is the source that fosters the competitive position of the hospital in the market via possessing an element of attraction to clients with its distinguished resources and qualifications that enable it to expand its activities and increase its profits, for an advantage or privilege takes place along a period adequate to confirm the competitive situation of the company in the market.

Cost reduction: It is to reduce the costs of the hospital to the least possible level and that includes administrative, employment, financial and others that influence the proceeds of the hospital.

Innovation and renovation: This means the ideas which are described to be new, useful, related or reconstructive; or reactivating new ideas to attain new issues through which one can find best solutions or apply new ideas.

The Study’s Population

The population of the study included all the governmental and private hospitals in Jordan that count (44) hospitals. Questionnaires have been distributed to all the managers who work in high directorates on the basis of comprehensive survey. By sorting the questionnaires, four of them were excluded because of information incompleteness, so the sample rested on (65) managers of the hospitals included in the study which was analyzed at the rate of (77.4) of the total population.

The Analysis Unit and Sample

To achieve the purpose and goal of the study, the two researchers collected data and information about the present study’s variables depending on an inspection unit which contained the general directors of the industrial companies listed in Amman stock market.

Data Sources

The researchers depended on two types of information sources which are subordinate sources such as management books, scientific material, bulletins and specialized periodicals in the field of social responsibility and competitive advantage; and primary sources through designing and developing a special questionnaires and to check its reliability and ability to measure the study’s variables, Cronbach's alpha of internal consistency was used reaching (87.97) which is a very good percentage to depend on in adopting the results of the research.

Statistical Methods

The researchers used statistical methods within the (spss) program in data analysis where they used means, standard deviation and multiple linear regressions to test the hypothesis.

Previous Studies

Al-Taii conducted a study in (2006) aimed at placing a conceptual frame to marketing ethics and social responsibility at service business organizations. The researcher found that ethics are considered as an environmental effect of marketing to which business organizations should pay attention when formulating marketing strategies especially pricing and promotion, in addition to that marketing ethics play an obvious role in the service marketing mixture (7Ps) and correlations between business organizations and their customers in addition to identifying the desires and needs of customers in order to submit appropriate services to activate the concept of designed service or what is called customization.
The study of De Ven (2008) which aimed at developing an ethical business frame to market the company’s social responsibility stated that the companies with highly reputed brand marks should use their initiatives to social responsibility achieve their marketing goals and other direct goals, and other direct goals, and that in order to achieve certain marketing purposes, the company has to support an aim or action that is directly connected to the core of its values and competitive advantages and not to try to conceal the fact that it is making use of its initiatives in social responsibility.

Hussein and Al-Jameel (2009) conducted a study aimed at identifying the relationship between the social responsibility towards workers and work ethics. The study revealed that the concept of social responsibility is one of the concepts that received the attention of most contemporary organizations, and which glorified profit in 1960s, while at present; the concept is related to the social aspect of the organization. It also clarified many social responsibility dimensions towards workers which should receive the attention of the organizations to apply as they realize the goals of workers and increase their loyalty and care for the organization they work for.

In order to measure the impact of the organization’s business ethics on the ethical behavior and performance of pharmaceutics product salesmen in Amman, the study of Al-Marryat (2011) reached at several results the most important of which were: That level of business ethics of pharmaceutics products sales organizations was high, and that the level of ethical behavior of pharmaceutics products salesmen in Amman was high. The study also revealed a direct statistically significant effect of the organization’s business ethics on the ethical behavior pharmaceutics products salesmen in Amman.

The study of Valentine (2012) dealt with training contents of business ethics and the satisfaction of sales employees with their colleagues and supervisors to personal sales which is consolidated by the prevailing ethical values of the organization which led to the satisfaction of supervisors and workers because they play an important role in ethical practices.

**The Theoretical Frame**

Ethics are regarded as important and fundamental pillars that societies rest upon. The concept and role of ethics in social construction exceed the role of personal instructor and controller to the role of instructor and controller on the general social level. All the heavenly religions encourage good manners and honest and transparent transaction among people. Ethics also play a big role in changing human behavior as it is the axis of change in the universe.

Organizations have started searching for faster and more influential systems not only on globalization but also on the effect of economic development on social and natural environment. Organizations work more and for longer hours seeking to get use of the economic progress to improve the quality of working life in themselves through reconstructing harmony and accord between economic rationality and ethical standards in business especially in a world of globalization where business ethics are concerned with the basic meaning and purpose of human existence and ethical principles on which economic activities depend (Ar-Rabi), 2010).

The present down-falls and scandals related to organizations’ managers (helot-Barkerd), fiscal fraud and misrepresentation (Enron, World com of Tayco) led to more attention to business ethics. This urged researchers and salesmen to give special care to how individuals take ethical decisions in the sales sector and how organizations may affect salesmen to be more aware and sensitive to ethical issues. As (Low and Weeks) stated, "The need of supporting and promoting ethical conduct is an unquestionable issue". Even when improvement level is gradual, organizations can achieve balance in efforts to improve business ethics” (Valentine, 2007, P: 248).

The concept of ethics in business most of which revolve around the rules of human conduct as for what is accepted and what is not by others. Specialists and researchers agree on the definition of ethics as far as content and essence are concerned, even if they disagree about form and style, that business ethics represent ethical issues about what should and should not be done to accomplished difference kinds of business (George &Kaler, 2003, P: 250). The word "Ethics" means conformity with norms, conduct values or literature mostly concerned with professions. It is also defined as the standards of the behavior which we expect people to follow. Furthermore, personal ethics are related to the individual’s daily activities (Al-Mrayat, 2011, P: 26).
Ethics express a set of rules and principles that determine correct and wrong behavior, hence, business ethics are
nothing but a set of norms and principles that dominate administrative behavior and related to what is right or
wrong as they represent instructive tracks to managers in decision making, and their importance increases in
accordance to the effects and consequences of the decision. The more influential on other’s the manager’s activity
was, the more important the ethics of that manager became. Subsequently, ethics are ethical norms and measures
used to distinguish right and wrong, as in the field of business, ethics are considered to be the standards of ethical
values and manners that control the decisions and procedures that should be implemented in business environment
(Stralser, 2008, P: 59).

The two researchers see that the concept of ethics envelopes a collection of rules, principles, behavioral judgments
and ethical values, norms and measures that govern the conduct of the individual or group while performing their
work in business environment. These characteristics include independence, objectivity, trustfulness, integrity,
transparency, reliability, responsibility and other straight conduct aspects against wrong behavior.

Social Responsibility

There are multiple definitions to social responsibility that differ in their targets and implications according to the
differences among the nature of organizations business, financial and demographic abilities, surrounding
environment and the systems that govern and regulate their work. (Carter &Burrit, 2007, P: 19) indicated that
finding a definition to the concept of social responsibility, which emerged with different names such as (social
accountability, systematic ethics, systematic citizenship, systematic commitment) was difficult, for this term or
concept is complicated like some other terms such as globalization and durable development as terms like these
imply different meanings and whenever one of them is explained, another new understanding to the concept or
them appears.

Because of the increasing importance of social responsibility, many definitions tried to give an accurate
interpretation of social responsibility, the most important of was that presented by the international standard
organization (ISO) which defined it as "The organization’s responsibility for the effects resulted from its decisions
and activities on the society and environment through transparency and ethical behavior that conform with
durable development and welfare of the society as well as taking into consideration the expectations of stock
holders; social responsibility is the commitment of the business organization towards the community in which it
works in through contributing in many social activities such as fighting poverty, improving health services,
fighting pollution, creating work opportunities and solving the problems of housing and transportation and many
others.

According to (Asongu, 2007, P:2), social responsibility is the commitment of economists to contributing in
durable development through working with the local community to improve the living standard of residents in a
way that serves economy and development simultaneously. Moreover, the developmental role performed by the
private sector should be realized by an internal initiate and and personal incitement from the inside of decision
makers in the organization. Social responsibility can be generally defined as the relationship between the
organization and its community, and it focuses on the commitment that the organization should fulfill to enjoy the
characteristics of good citizenship. (Al-Amiri and Al-Ghalibi, 2005, P: 93) assure that social responsibility is the
duty of organizations’ managements to take decision or to act in a way that elevates the welfare and interests of
the society as well as those organizations.

Social responsibility is the company’s activities to hold the responsibilities of the effects of its activities on
society and environment to make its activities in accord with the utilities of the society and durable development.
Social responsibility concentrates on ethical conduct and respect for the laws and governmental instruments to be
in harmony with the daily activities of the company. It is a kind of commitment to reduce and avoid any damages
that may affect society and magnitude its benefit on the long run. The dimensions of social responsibilities and
responsibilities of charity nature (BelalUddin, et.at, 2008, P: 201) and they are based on ethical consideration that
focus on targets as long-term obligations considering the initiatives of business organizations to meet those
obligations and consolidate their image in society.
The concept of social responsibility depends on sharing in economic activities with durable nature that exceed the legal requirements that protect the welfare of the employees, society and environment and strategically create recognizable materialistic benefits to the organization and subsequently the ability to fund projects or initiatives and, at the same time, restricting the Sharers’ objections to wasting their fortunes. Social responsibility assures the elements of environmental and human sustainability. Environmental durability includes using the scientific ideas that restrict the harmful environmental effects which harm the organization’s operations and attending the universal issues like the decrease of nonrenewable resources and energy and dealing with wastes resulted from manufacturing processes and consumption. As for human durability, it is concerned with creating healthy and fair work atmosphere for the employees, developing their abilities and skills and adding benefit to the clients and suppliers and others (Heslin and Ochoa, 2008, P: 126-p: 127). (Al-Amiri and Al-Ghalibi, 2005, P: 81) look at social responsibility as a contract between the organization and society by which the organization is obliged to satisfy the society through realizing its interests. It also obliges the organization to perform lots of social activities such as fighting poverty and pollution, creating work opportunities, solving problems (transportation, housing, health) and other services. So, social responsibility is a commitment by business companies to act ethically, contribute in achieving economic development and improve life circumstances of workers, their families and the whole society.

The European commission defines the company’s social responsibility as "a concept by which the company joins the social and environmental interests in its business transactions and in dealing willingly with those interested. The company also realizes increasing that socially responsible conducts leads to success in business. Some related the concept of social responsibility to the strategic decisions taken by business organizations as they feel that the company’s social responsibility is the feeling of commitment by companies to place specific social norms while taking any strategic decision (Abdul Muaal and Rifaii, 2007, P: 118).

The definition of social responsibility indicates that it is the company’s commitment towards society by contributing in many social activities and ethical manners related to environmental pollution; fighting poverty, unemployment and inflation; improving health care, creating work opportunities, solving housing and transportation problems and many others. Social responsibility, in this respect, rises from performing the duties of business organizations towards society (Legal accountants’ Arabic assembly association, 2001, P: 185).

**Competitive Advantage**

The concept of competitive advantage occupied an important position in the fields of strategic management and business economies (Betlis, 2000, P: 7) as competitive advantage represents an important strategic element that helps in grabbing chances and offers a real opportunity for the organization to achieve continual profits compared to its competitors, for competition is the source which consolidates the company’s post as a means to realize economic profits; privilege in productivity, prices and cost over its competitors and consequently concentration on production.

Studies (Covin, 2000, P: 175) point out that competitive advantage a certain quality or qualities the organization has and which distinguish it from other organizations by ensuring a solid stand against various parts. The real challenge for any organization is not producing or offering products but the ability to continuously fulfill the changing needs and desires of customers. The role of customers has been growing and it has become difficult now to impose products on them. Therefore, finding competitive advantages can bring satisfaction to customers, increase their loyalty and keep the company’s continuity in the market.

Competitive advantage is also known as the organization’s ability to establish and apply strategies that place it in a better competitive position than similar organizations of the same business activity (Mustafa, 1996, P: 3). And according to (Lui, 2003, P: 15) the competitive advantage of a company is its peculiarity through the perspective of marketing its products that guarantee its competitive position. This means that competitive advantage is getting an advanced competitive position in the market.

(Muhsen and An-Najjar, 2004, P: 52) explain that competitive advantage aims at building a system that has a unique or distinguished privilege with which it excels competitors through the company’s products that ensure the highest benefit or value in comparison with the competitor’s products. Competition also means offering the company’s products in a competent and durable way better than others.
(Macmillan & Mahan, 2001, P: 81) declare that competitive advantage is an excellence factor the company is marked by and kept for a relatively long period because it is hard to match. This period guarantees superiority and benefit to the company through its products.

The competitive advantage is established as soon as the company employs new and more effective methods than those of its competitors. This comes through providing and promoting new services through learning abilities and market supervision.

(Stevenson, 2007, P: 4) confirms that competitive advantage practically aims at meeting the needs and desires of customers concerning the commodity or service. Competitive advantage emerges once the organization explores new and more effective methods than those used by competitors.

Competitive advantage is the distinguished skill, technique or source that enables the organization to produce more values and utility than offered by competitors. This affirms its superiority over those competitors through the perspective of the clients who accept this difference or uniqueness as it realizes more benefits and values to them more than that of other competitors (Al-Salmi, 2001, P: 104).

(Heizer and Render, 2001, P: 36) clarify that competitive advantage is finding a unique privilege that makes the company excel competitors, i.e. makes the company unique and distinguished over other competitors.

(Macmillan and Tampo, 2000, P: 88) assure that companies superiority in its business environment through possessing and preserving competitive advantage, as it is the means through which the company excels its competitors.

On the grounds of the fore mentioned, the researchers see that competitive advantage is the scope by which an organization enjoys a higher ability than its competitors in exploiting external opportunities or limiting the effect of threats. Competitive advantage stems from the organization’s ability to perform better than competitors and gain competitive superiority in the market. This means the company’s capacity to produce and offer products (commodity or services) to competitors by using its materialistic, human and intellectual sources and this might be related to quality, technicality, ability to reduce cost, marketing competence, seizing chances and acquiring a foothold in market.

Concern is focused in the organization on achieving the competitive advantage through the products that realize the needs and desires of customers or the value that customers wish to have from those products. Attention is given to turning those needs into areas or target capabilities which are called competitive dimensions.

The concerned organization selects its competitive dimensions (Jay & Janet: 2002) when offering its products and meeting the demands of the market to realize the competitive advantage. From these dimensions are:

1- Reducing cost: This means the organization’s ability to design, manufacture and market its products at the least possible cost compared to its competitors which enable it to realize higher profits. Low cost prepares the chance to sell products in competitive prices. This dimension is based on the least possible amount of production entries in comparison with competitors. This means achieving a reduction in the total costs of any industry. This can be attained through discovery a cheap source of raw material or realizing high scale economies i.e. distributing the fixed cost on a large number of production units, disposing of agents and depending on out lets owned by the organization, using low cost production and sales methods or using the computer to cut down labor force (Kotler& Keller, 2009, P: 56).

2- Creativity, renovation and innovation: It is the reformation or reactivation of new ideas to produce new issues through which you can solve a problem or apply a new idea. This is connected to technology and affects organizations. Creativity and innovation are basic factors in the management of business and organizations that reflected upon the ascending needs and ambitions as it is neither enough nor satisfactory to perform the work of different organizations in the traditional methods, for keeping such methods leads to a halt and consequently backing of fast movement forward, or even to failure (Lynch, 2000, P: 502).
**Data analysis and hypotheses test**

First hypotheses test: There is no statistically significant effect of social responsibility (responsibility towards the environment, responsibility towards consumers, responsibility towards local society) on achieving the competitive advantage (reducing cost, innovation and renovation) in the governmental and private hospitals.

**Table (1) arithmetic means and standard deviations of the first hypothesis (social responsibility)**

<table>
<thead>
<tr>
<th>Expression No.</th>
<th>Expression</th>
<th>Arithmetic means</th>
<th>standard deviation</th>
<th>Order according to importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Participation in environment protection programs</td>
<td>4.1050</td>
<td>0.9624</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>connecting the environmental performance of the company with its message and vision</td>
<td>4.4175</td>
<td>0.7935</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>beautifying the surrounding area and for stating it to preserve the environment</td>
<td>3.8625</td>
<td>1.0228</td>
<td>9</td>
</tr>
<tr>
<td>4</td>
<td>the company offers products with suitable prices</td>
<td>4.1525</td>
<td>0.8251</td>
<td>4</td>
</tr>
<tr>
<td>5</td>
<td>the company’s concern in producing products that are easy to get by consumers</td>
<td>4.2125</td>
<td>0.8391</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>the company’s concern to offer safe</td>
<td>3.8699</td>
<td>0.9228</td>
<td>8</td>
</tr>
<tr>
<td>7</td>
<td>the company provides contributions or donations in favor of local society</td>
<td>4.1925</td>
<td>0.8167</td>
<td>3</td>
</tr>
<tr>
<td>8</td>
<td>the financial support provided by the company to hold religious and national events in the local society</td>
<td>4.0100</td>
<td>0.9010</td>
<td>6</td>
</tr>
<tr>
<td>9</td>
<td>funding the projects established in the local society</td>
<td>3.8711</td>
<td>0.9228</td>
<td>7</td>
</tr>
</tbody>
</table>

The arithmetic mean reached (4.1360) and by comparing it with the measurement tool mean used to measure this variable, it was evident that it exceeds the point which represents assentation degree (44) while the standard deviation reached (0.8801) according to these results "There is a statistically significant effect of social responsibility (responsibility towards the environment, responsibility towards consumers, responsibility towards local society) on achieving competitive advantage (cost reduction, innovation and renovation) at the governmental and private hospitals". The answers ranged between (4.4175) on item (z) which received the highest rate of answers and it states "connecting the environmental performance of the company with its message and vision". While item (3) got the least rate of answers at an average of (3.8625) and states "beautifying the surrounding area and for stating it to preserve the environment".

By using simple regression analysis, the following table no.5 shows the results of testing this hypothesis.
Table (5): the results of multiple regression test of the effect of social responsibility

<table>
<thead>
<tr>
<th>variable</th>
<th>Unstandardized coefficients</th>
<th>Standardized coefficients</th>
<th>F</th>
<th>sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>constant</td>
<td>-0.063</td>
<td>0.109</td>
<td>-0.581</td>
<td>0.562</td>
</tr>
<tr>
<td>social responsibility</td>
<td>0.919</td>
<td>0.026</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.8720</td>
<td>35.482</td>
</tr>
</tbody>
</table>

R = 0.872  R² = 0.760

Above stated table (5) shows that F values for this hypothesis reached (35.482) which is higher than F table value which is (1.645) and considering that decision rule refers to the rejection of Null hypothesis when the measured F value is greater than F table value, the alternative hypothesis is accepted and it states" there is a statistically significant effect of social responsibility towards consumers, responsibility towards local society) on achieving competitive advantage (cost reduction, innovation and this is confirmed by (sig.) value amounting zero which is less than 5%, even though (Beta) coefficient reached 0.8720 which refers to a positive relation between the independent variable and the dependent variable.

The results of the dependent variable: competitive advantage

Table (6) arithmetic means and standard deviations of the dependent variable: competitive advantage

<table>
<thead>
<tr>
<th>Expression no.</th>
<th>Expression</th>
<th>arithmetic means</th>
<th>standard deviation</th>
<th>Order according to importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>the cost of the materials used in the company’s products is low compared to competitive</td>
<td>4.0675</td>
<td>0.81523</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>social responsibility helps the company reduce the manufacturing costs continuously</td>
<td>3.9500</td>
<td>0.89695</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>social responsibility helps the company reduce the costs of maintenance continuously</td>
<td>4.2030</td>
<td>0.81530</td>
<td></td>
</tr>
</tbody>
</table>

Innovation and Renovation

| 13             | social responsibility helps to offer new products to meet the changing needs of the market | 4.1575           | 0.88581            |                               |
| 14             | social responsibility helps the company in research and development efforts to develop its products | 3.8975           | 0.86537            |                               |
| 15             | social responsibility helps to develop its products depending on market studies | 4.0300           | 0.83717            |                               |
| General Average|                                             | 4.0509           | 0.8526             |                               |
By comparing the arithmetic means which reached (4.0509) with the one that was obtained by using the measurement tool used to measure this variable, it appeared that it exceeded the point that represents (44) while the standard deviation reached (0.8526). The answers ranged between (4.2030) to item (12) which received the highest rate of answers. This item states "social responsibility helps the company reduce the costs of maintenance continuously", while item (14) got the lowest rate of answers at an average of (3.676) and it states "business ethics and social responsibility help the company in research and development efforts to develop its products."

**Results**

The study`s results revealed a statistically significant effort of social responsibility (responsibility towards the environment, responsibility towards consumers, responsibility towards local society) on achieving competitive advantage (cost reduction, innovation and renovation) at the governmental and private hospitals, the results showed that companies, because of their social responsibilities, connect environmental performance to their messages and that they have programs through which they share in environment protection and beautifying the surrounding area and fore stating it to preserve the environment. The results also revealed that companies are concerned in offering easy-to-get products for consumers and present safe products to be used in addition to offering their products in reasonable prices. Moreover, it was clear that companies provide contributions or donations to the local society as providing financial support for religious and national occasions in the local society plus funding the projects established in the local society.

**Recommendations**

1- Consolidating social responsibility and the necessity of limiting social responsibility policies by governmental and private hospitals, distributing them and training workers to enhance their ability to face the problems related to social responsibility.
2- Governmental and private hospitals’ care for objectivity and independence, ability to realize interests balance and checking the capability of performing and mastering work.
3- Confirming the importance of integrity and transparency to ensure impartiality and avoiding any side effects because of their clear influence on competitive advantage from the perspective is the study.
4- Finding and activating ethical forums special for the environment and committing to them.
5- Presenting safe products by governmental and private hospitals accompanied by the necessary instructions.
6- Ensuring the importance of supporting civil community organizations by governmental and private hospitals plus increasing their participation in establishing educational, entertaining and health centers.
7- Understanding and analyzing the elements of social responsibility principles as one of the important basics for the success and continuity of the company, especially in the shade of the diversity, variety and complication of the risks related to its work.

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