


**INTEGRATING SUSTAINABILITY INTO STRATEGIC MANAGEMENT: A PATH  
TOWARDS LONG-TERM BUSINESS SUCCESS**

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ARTICLE INFO	ABSTRACT
<p><b>Article history:</b></p> <p><b>Received</b> 31 January 2023</p> <p><b>Accepted</b> 24 March 2023</p>	<p><b>Purpose:</b> This study aims to examine the integration of sustainability into the strategic management practices of banks in Jordan, identifying both challenges and opportunities.</p>
<p><b>Keywords:</b></p> <p>Sustainability; Strategic Management; Environmental Sustainability; Sustainability-Oriented Strategic Management.</p>	<p><b>Theoretical framework:</b> The study's conceptual framework outlines the independent variable as strategic management, including formulation, implementation, monitoring and evaluating, and leadership, while the dependent variable is sustainability, focusing on both social and environmental goals. Existing models and frameworks for sustainability-oriented strategic management are reviewed and a customized model for Jordanian banks is developed.</p> <p><b>Design/methodology/approach:</b> The research employs a qualitative research design, using semi-structured interviews with senior managers from ten Jordanian banks. Data is analyzed using content analysis and thematic analysis.</p>
	<p><b>Findings:</b> The study finds that implementing strategic management processes can have a positive impact on sustainability, particularly with regards to environmental sustainability goals. The study recommends that Jordanian banks prioritize sustainability in their strategic management practices, establish sustainability targets, evaluate risks and opportunities, and adopt sustainable practices.</p> <p><b>Research, Practical &amp; Social implications:</b> The study has implications for both research and practice. It highlights the importance of incorporating sustainability into strategic management practices for banks in Jordan and identifies the challenges and opportunities for doing so. The study also has social implications, as incorporating sustainability into strategic management practices can enhance the reputation of banks, decrease costs, and generate positive societal and environmental outcomes.</p> <p><b>Originality/value:</b> This study contributes to the literature on sustainability-oriented strategic management by developing a customized model for Jordanian banks. The study also provides insights into the challenges and opportunities for banks in Jordan in integrating sustainability into their strategic management practices.</p> <p>Doi: <a href="https://doi.org/10.26668/businessreview/2023.v8i4.1627">https://doi.org/10.26668/businessreview/2023.v8i4.1627</a></p>

**INTEGRANDO A SUSTENTABILIDADE NA GESTÃO ESTRATÉGICA: UM CAMINHO PARA O  
SUCESSO COMERCIAL A LONGO PRAZO**

**RESUMO**

**Objetivo:** Este estudo visa examinar a integração da sustentabilidade nas práticas de gestão estratégica dos bancos na Jordânia, identificando tanto os desafios quanto as oportunidades.

**Estrutura teórica:** A estrutura conceitual do estudo delinea a variável independente como gestão estratégica, incluindo formulação, implementação, monitoramento e avaliação e liderança, enquanto a variável dependente é a sustentabilidade, com foco tanto em metas sociais quanto ambientais. Os modelos e estruturas existentes para

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uma gestão estratégica orientada à sustentabilidade são revisados e um modelo personalizado para os bancos jordanianos é desenvolvido.

**Design/metodologia/abordagem:** A pesquisa emprega um projeto de pesquisa qualitativa, utilizando entrevistas semi-estruturadas com gerentes sênior de dez bancos jordanianos. Os dados são analisados utilizando análise de conteúdo e análise temática.

**Descobertas:** O estudo conclui que a implementação de processos de gestão estratégica pode ter um impacto positivo na sustentabilidade, particularmente no que diz respeito às metas de sustentabilidade ambiental. O estudo recomenda que os bancos jordanianos priorizem a sustentabilidade em suas práticas de gestão estratégica, estabeleçam metas de sustentabilidade, avaliem riscos e oportunidades e adotem práticas sustentáveis.

**Pesquisa, implicações práticas e sociais:** O estudo tem implicações tanto para a pesquisa quanto para a prática. Ele destaca a importância de incorporar a sustentabilidade nas práticas de gestão estratégica para os bancos na Jordânia e identifica os desafios e oportunidades para fazê-lo. O estudo também tem implicações sociais, pois a incorporação da sustentabilidade nas práticas de gestão estratégica pode melhorar a reputação dos bancos, diminuir os custos e gerar resultados sociais e ambientais positivos.

**Originalidade/valor:** Este estudo contribui para a literatura sobre gestão estratégica orientada para a sustentabilidade, desenvolvendo um modelo personalizado para os bancos jordanianos. O estudo também fornece insights sobre os desafios e oportunidades para os bancos na Jordânia na integração da sustentabilidade em suas práticas de gestão estratégica.

**Palavras-chave:** Sustentabilidade, Gestão Estratégica, Sustentabilidade Ambiental, Gestão Estratégica Orientada para a Sustentabilidade.

## INTEGRACIÓN DE LA SOSTENIBILIDAD EN LA GESTIÓN ESTRATÉGICA: UN CAMINO HACIA EL ÉXITO EMPRESARIAL A LARGO PLAZO

### RESUMEN

**Objetivo:** Este estudio pretende examinar la integración de la sostenibilidad en las prácticas de gestión estratégica de los bancos de Jordania, identificando tanto los retos como las oportunidades.

**Marco teórico:** En el marco conceptual del estudio, la variable independiente es la gestión estratégica, que incluye la formulación, la aplicación, el seguimiento y la evaluación, y el liderazgo, mientras que la variable dependiente es la sostenibilidad, centrada en objetivos tanto sociales como medioambientales. Se revisan los modelos y marcos existentes para la gestión estratégica orientada a la sostenibilidad y se desarrolla un modelo personalizado para los bancos jordanos.

**Diseño/metodología/enfoque:** La investigación emplea un diseño de investigación cualitativo, mediante entrevistas semiestructuradas con altos directivos de diez bancos jordanos. Los datos se analizan mediante análisis de contenido y análisis temático.

**Resultados:** El estudio concluye que la aplicación de procesos de gestión estratégica puede repercutir positivamente en la sostenibilidad, sobre todo en lo que respecta a los objetivos de sostenibilidad medioambiental. El estudio recomienda que los bancos jordanos den prioridad a la sostenibilidad en sus prácticas de gestión estratégica, establezcan objetivos de sostenibilidad, evalúen riesgos y oportunidades y adopten prácticas sostenibles.

**Investigación, implicaciones prácticas y sociales:** El estudio tiene implicaciones tanto para la investigación como para la práctica. Destaca la importancia de incorporar la sostenibilidad en las prácticas de gestión estratégica de los bancos en Jordania e identifica los retos y oportunidades para hacerlo. El estudio también tiene implicaciones sociales, ya que la incorporación de la sostenibilidad a las prácticas de gestión estratégica puede mejorar la reputación de los bancos, reducir costes y generar resultados sociales y medioambientales positivos.

**Originalidad/valor:** Este estudio contribuye a la literatura sobre gestión estratégica orientada a la sostenibilidad mediante el desarrollo de un modelo personalizado para los bancos jordanos. El estudio también proporciona información sobre los retos y las oportunidades de los bancos jordanos a la hora de integrar la sostenibilidad en sus prácticas de gestión estratégica.

**Palabras clave:** Sostenibilidad, Gestión Estratégica, Sostenibilidad Medioambiental, Gestión Estratégica Orientada a la Sostenibilidad.

## INTRODUCTION

In recent years, sustainability has become an increasingly important concept for governments, organizations, and individuals (Alkhodary, D. 2021; Brundtland, 1987). Meeting current needs without compromising the ability of future generations to meet their own needs is the essence of sustainability (Brundtland, 1987). As consumers demand socially and environmentally responsible products and services, businesses recognize that sustainability is crucial for long-term success (Dina, 2020; Ali, M. 2021). Integrating sustainability into strategic management provides a framework for achieving business goals, and it can lead to new business opportunities, reduced costs, improved brand reputation, and a positive impact on society and the environment (Banerjee, 2018).

The objective of this study is to explore the relationship between strategic management and sustainability in businesses. The conceptual framework outlines the independent variable as strategic management and the dependent variable as sustainability, with previous research supporting the framework (Scherer et al., 2021; Liu et al., 2020; Schilke, 2014; Cornelis et al., 2021; Hart and Milstein, 2003; Alkhodary, D. 2021; Ali, M. et al., 2021). By examining the relationship between these variables, the study aims to show how integrating sustainability into strategic management can lead to long-term success in a rapidly changing business environment.

Jordan faces environmental and social challenges, such as water scarcity, air pollution, and high youth unemployment rates, making integrating sustainability into strategic management essential for Jordanian companies (Jordan Ministry of Planning and International Cooperation, 2019). Additionally, as a small and open economy, Jordan is highly dependent on international trade and investment, making it vulnerable to market fluctuations and regulatory changes related to sustainability (Alkhodary, D. 2021) (United Nations Development Programme, 2017). Therefore, integrating sustainability into strategic management processes can help Jordanian companies create long-term value for stakeholders, manage environmental and social risks, and enhance their competitiveness in the global market.

The study aims to achieve several objectives, including identifying the challenges and opportunities of integrating sustainability into strategic management processes in Jordanian banks, reviewing existing models and frameworks for integrating sustainability into strategic management, developing a sustainability-oriented strategic management model customized to the specific needs and contexts of Jordanian banks, and testing the feasibility and effectiveness of the developed model in a case study of a Jordanian banks.

By achieving these objectives, this study will contribute to the existing literature on sustainability and strategic management, provide practical recommendations for Jordanian companies to integrate sustainability into their operations, and promote sustainable development in Jordan's economy.

Strategic management involves formulating, implementing, and evaluating strategies to achieve an organization's goals and objectives (David, 2017). It involves analyzing the internal and external environment of the organization, identifying strengths, weaknesses, opportunities, and threats, and developing plans and actions to achieve long-term success (Parnell, 2018). Recent studies have emphasized the significance of technology and innovation in driving organizational success (Zheng et al., 2020; Zhang & Hu, 2020) and the importance of sustainability and corporate social responsibility (Sharma & Bansal, 2021; Uyar et al., 2021).

The dimensions of strategic management include strategy formulation, implementation, evaluation and control, leadership, and the consideration of external factors, all of which require a comprehensive approach for effective strategic management. The formulation of strategy is a crucial dimension of strategic management, involving the development of a comprehensive plan for achieving organizational goals (Scherer et al., 2021).

## **OBJECTIVES OF THE STUDY**

- To examine the relationship between strategic management and sustainability in the context of banks in Jordan.
- To investigate the impact of different components of strategic management (formulation, implementation, monitoring and evaluating, and leadership) on sustainability.
- To identify the challenges and opportunities faced by banks in Jordan in integrating sustainability into their strategic management practices.
- To develop a customized model for sustainability-oriented strategic management for Jordanian banks.
- To provide recommendations for Jordanian banks on how to effectively integrate sustainability into their strategic management practices.

## LITERATURE REVIEW

### Sustainability

Sustainability refers to the concept of meeting present needs while also ensuring that future generations can meet their own needs (World Commission on Environment and Development, 1987). Recent studies highlight the significance of sustainability for achieving long-term success in businesses, particularly in the context of the COVID-19 pandemic. Sustainable practices such as reducing energy consumption and greenhouse gas emissions can help companies improve their environmental performance and lower costs (Poudel et al., 2021). In addition, incorporating circular economy principles, such as waste reduction and material reuse, can improve environmental sustainability and business competitiveness (Teng et al., 2020).

Social sustainability has emerged as a critical theme in recent research, with businesses that prioritize the health and safety of employees and support local communities proving to be more resilient in times of crisis (Leung et al., 2020). Similarly, promoting diversity and inclusion can improve employee engagement and retention (Córdoba-Pachón et al., 2021). Economic sustainability is also crucial, with sustainable practices such as investing in renewable energy and reducing waste leading to improved financial performance and long-term value creation (Fan et al., 2021).

The triple bottom line framework is commonly used to measure sustainability performance, as it takes a comprehensive approach to sustainability (Savitz & Weber, 2014; Alkhodary, D., 2021). The framework includes three dimensions of sustainability: environmental, social, and economic. The environmental dimension is concerned with the impact of operations on the natural environment, while the social dimension considers the impact on stakeholders, and the economic dimension focuses on financial performance. The United Nations Sustainable Development Goals provide a global framework for addressing sustainability challenges, with 17 goals that encompass various environmental, social, and economic issues (The United Nations, 2015).

Ramesh and Kumar (2020) investigate the relationship between environmental sustainability and corporate social responsibility (CSR) in Indian manufacturing firms. The authors argue that the implementation of environmental sustainability practices in organizations is influenced by their commitment to CSR. The study finds a positive relationship between CSR and environmental sustainability practices, indicating that organizations that are committed to

CSR are more likely to adopt sustainable practices. The authors suggest that organizations should prioritize CSR to promote environmental sustainability and long-term success.

Thakur and Singh (2020) explore the role of stakeholders in promoting sustainable development in the hospitality industry. The authors argue that stakeholder engagement is crucial for the implementation of sustainable practices in the hospitality industry. The study finds that stakeholders such as customers, employees, and the community play an essential role in promoting sustainable practices in the hospitality industry. The authors suggest that organizations should engage stakeholders to identify their sustainability concerns and prioritize them in their sustainability strategy.

Bhat and Sharma (2019) examine the relationship between sustainability practices and financial performance in Indian firms. The authors argue that sustainability practices can positively influence the financial performance of firms. The study finds a positive relationship between sustainability practices and financial performance, suggesting that firms that adopt sustainable practices are more likely to achieve financial success. The authors recommend that firms should integrate sustainability practices into their business strategy to achieve financial success and promote sustainable development.

Singh and Saha (2019) examine the role of green innovation in promoting sustainability in the Indian construction industry. The authors argue that green innovation is critical for promoting sustainability in the construction industry. The study finds that green innovation positively influences sustainability practices in the construction industry, suggesting that organizations that invest in green innovation are more likely to adopt sustainable practices. The authors suggest that organizations should prioritize green innovation to promote sustainable development in the construction industry.

### **Strategic Management and Sustainability**

In recent years, there has been a growing recognition of the importance of sustainability in business. David (2017) emphasizes the benefits of sustainable practices, such as cost savings, innovation, reputation, and employee engagement, and provides guidance for companies seeking to integrate sustainability into their strategic management. Similarly, Leal Filho (2020) argues that sustainability should be an integral component of strategic management, as it provides a framework for businesses to align their economic, social, and environmental goals. However, integrating sustainability into strategic management is not without its challenges, such as a lack of understanding of sustainability issues and inadequate training and resources

(Leal Filho, 2020). Ewart and Shanahan (2017) conducted a survey of Australian banks and found that those with a stronger sustainability orientation are more likely to integrate sustainability into their corporate strategy, leading to positive financial performance. Sarkar and Roy (2020) highlight the need for a shift towards a more sustainable and socially responsible business model and provide insights into how companies can effectively monitor and evaluate their progress towards sustainability goals. Lacka and Charłampowicz (2018) discuss the challenges of integrating sustainability into supply chain management processes and provide insights into the role of leadership in driving sustainability initiatives. Davis and Rankin (2017) emphasize the importance of leadership in driving sustainability initiatives within organizations and provide insights into how companies can effectively monitor and evaluate their progress towards sustainability goals. Overall, it is widely recognized that integrating sustainability into strategic management is crucial for businesses to achieve their goals and respond effectively to changes in the marketplace (Grant, 2016). Companies that prioritize sustainability in their business strategies achieve higher financial returns, stronger brand reputations, and better adaptation to changing market conditions (KPMG, 2017). Achieving sustainability in business requires a long-term strategic approach that considers the environmental and social impacts of business decisions (Porter & Kramer, 2011), leading to a culture of sustainability that drives innovation, enhances competitiveness, and creates long-term value for businesses.

## **Theoretical Background and Hypothesis Development**

### **H1: Strategic Management has Appositive Effect on Sustainability.**

Strategic management has been widely acknowledged as a critical tool for enhancing organizational performance and competitiveness. In recent years, there has been a growing recognition of the link between strategic management and sustainability, with many studies highlighting the positive effect of strategic management on sustainability. This literature review aims to explore the relationship between strategic management and sustainability, drawing on existing research studies and theoretical perspectives. One study by Lu and colleagues (2020) examined the impact of strategic management on corporate social responsibility (CSR) performance, which is a key dimension of sustainability. The study found that strategic management positively influences CSR performance through its impact on organizational learning and innovation, stakeholder engagement, and resource allocation. The authors argue that organizations that adopt strategic management practices are better equipped to align their

sustainability goals with their overall business objectives, leading to more effective sustainability performance. Another study by Cai and colleagues (2019) focused on the role of strategic leadership in enhancing sustainability performance. The study found that strategic leadership, which involves the development and execution of long-term strategies, is positively related to sustainability performance through its impact on innovation and environmental management practices. The authors suggest that strategic leadership can promote sustainability by fostering a culture of innovation, encouraging employee engagement, and investing in sustainable technologies. Other studies have also highlighted the importance of strategic management in enhancing sustainability. For example, Cho and colleagues (2017) argue that strategic planning can improve sustainability performance by enhancing organizational resilience and responsiveness to environmental changes. Similarly, Kolk and Pinkse (2010) suggest that strategic management can facilitate the integration of sustainability into organizational decision-making processes, leading to more effective and sustainable outcomes. Overall, the literature suggests that strategic management has a positive effect on sustainability, particularly through its impact on CSR performance, innovation, stakeholder engagement, and resource allocation. Organizations that adopt strategic management practices and prioritize sustainability are likely to benefit from improved performance and competitiveness, as well as enhanced environmental and social outcomes.

### **Hypothesis 1.1: Formulation of Strategic Plans has a Positive Effect on Sustainability**

Sheng and colleagues (2020) examined the relationship between strategic planning and environmental sustainability in the Chinese manufacturing sector. The study found that the formulation of strategic plans that prioritize environmental sustainability positively influenced the implementation of environmental management practices and resulted in improved environmental performance. The authors suggest that strategic planning can help organizations prioritize sustainability and allocate the necessary resources to achieve sustainability goals. Another study by Choi and colleagues (2019) focused on the relationship between strategic planning and social sustainability in the hospitality industry. The study found that the formulation of strategic plans that prioritize social sustainability positively influenced employee engagement and resulted in improved social performance. The authors suggest that strategic planning can help organizations identify social sustainability goals and develop policies and practices that promote social sustainability. Other studies have also highlighted the importance of strategic planning in promoting sustainability. For example, Beamon and Balcik



(2008) suggest that strategic planning can help organizations identify opportunities for waste reduction and resource conservation. Similarly, Janardhanan and Krishnan (2017) argue that strategic planning can help organizations integrate sustainability into their core business processes, leading to more sustainable outcomes.

### **Hypothesis 1.2: Implementation of Strategic Plans has a Positive Effect on Sustainability**

Yang and colleagues (2017) examined the relationship between the implementation of sustainable development strategies and environmental performance in Chinese manufacturing banks. The study found that the implementation of sustainable development strategies had a positive effect on environmental performance, particularly in terms of energy efficiency and waste reduction. The authors suggest that the implementation of sustainable development strategies can help organizations achieve sustainability goals by providing a framework for sustainable practices. Turker and Altuntas (2014) focused on the relationship between the implementation of environmental management systems (EMS) and environmental performance in Turkish manufacturing banks. The study found that the implementation of EMS positively influenced environmental performance, particularly in terms of waste reduction and resource conservation. The authors suggest that the implementation of EMS can help organizations prioritize sustainability and implement sustainable practices. Other studies have also highlighted the importance of the implementation of strategic plans in promoting sustainability. For example, Ghosh and colleagues (2020) suggest that the implementation of sustainability-oriented innovation strategies can help organizations achieve sustainability goals by developing and implementing sustainable technologies. Similarly, Hussain and colleagues (2021) argue that the implementation of circular economy strategies can help organizations achieve sustainability goals by promoting resource efficiency and waste reduction.

### **Hypothesis 1.3: Monitoring and Evaluating the Progress of Strategic Plans has a Positive Effect on Sustainability**

Liu and colleagues (2020) focused on the relationship between monitoring and evaluation (M&E) practices and the sustainability performance of Chinese construction banks. The study found that the use of M&E practices positively influenced sustainability performance, particularly in terms of environmental and social performance. The authors suggest that the use of M&E practices can help organizations identify areas of success and areas for improvement, and make adjustments to their strategies accordingly. Hahn and colleagues

(2015) examined the role of sustainability reporting in monitoring and evaluating the progress of sustainability strategies. The study found that sustainability reporting positively influenced the implementation of sustainability strategies, and helped organizations track progress towards sustainability goals. The authors suggest that sustainability reporting can help organizations improve their sustainability performance by providing transparency and accountability. Makundi and colleagues (2021) suggest that the use of key performance indicators (KPIs) can help organizations track progress towards sustainability goals and identify areas for improvement. Similarly, Ollivier and colleagues (2020) argue that the use of life cycle assessment (LCA) can help organizations evaluate the environmental impacts of their products and processes and identify opportunities for improvement.

#### **Hypothesis 1.4: Effective Leadership has a Positive Effect on Sustainability**

Hart and colleagues (2015) examined the relationship between leadership and sustainability in the context of multinational corporations. The study found that leadership styles that emphasized stakeholder engagement, environmental responsibility, and social justice were associated with higher levels of sustainability performance. The authors suggest that leadership plays a critical role in promoting sustainability by setting the tone for organizational culture and decision-making. Waddock and Bodwell (2017) focused on the role of transformative leadership in promoting sustainability in higher education institutions. The study found that transformative leadership, which emphasizes empowerment, collaboration, and a long-term perspective, was associated with higher levels of sustainability performance in universities. The authors suggest that transformative leadership can help universities address complex sustainability challenges by promoting innovation and collaboration. Bansal and Roth (2000) suggest that leadership is critical in promoting environmental sustainability by setting environmental goals, providing resources and support, and communicating the importance of sustainability to stakeholders. Similarly, Sánchez and colleagues (2020) argue that leadership is critical in promoting social sustainability by promoting stakeholder engagement, social responsibility, and ethical behavior.

#### **Hypothesis 2: Strategic Management has a Positive Effect on Social Sustainability Goals**

Lozano and Huisinigh (2011) examined the integration of social sustainability into strategic management in small and medium-sized enterprises (SMEs). The study found that SMEs that adopted a strategic approach to social sustainability were more likely to achieve

positive social outcomes, such as improved labor practices and increased community engagement. The authors suggest that strategic management can help SMEs address social sustainability challenges by providing a structured approach to identifying and addressing social issues. Rahman and Bullock (2015) focused on the role of stakeholder engagement in promoting social sustainability through strategic management. The study found that organizations that engaged with stakeholders in the development and implementation of social sustainability strategies were more likely to achieve positive social outcomes. The authors suggest that stakeholder engagement can help organizations address complex social sustainability challenges by promoting collaboration and partnership. Orlitzky and colleagues (2003) suggest that strategic management can help organizations balance economic, social, and environmental goals by integrating them into decision-making processes. Similarly, Schaltegger and Wagner (2011) argue that strategic management can help organizations prioritize social sustainability by setting goals and metrics, monitoring progress, and making adjustments as necessary.

### **Hypothesis 3: Strategic Management has a Positive Effect on Environmental Sustainability Goals**

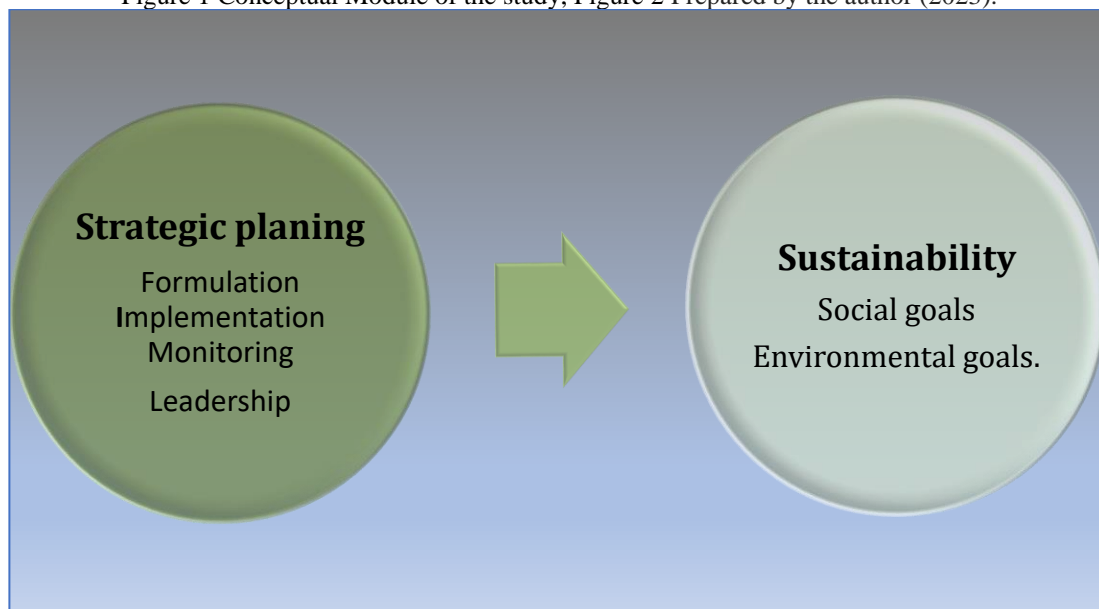
Azapagic and Perdan (2014) examined the role of strategic management in promoting environmental sustainability in manufacturing organizations. The study found that organizations that adopted a strategic approach to environmental sustainability were more likely to achieve positive environmental outcomes, such as reducing energy consumption and greenhouse gas emissions. The authors suggest that strategic management can help organizations address environmental sustainability challenges by providing a structured approach to identifying and addressing environmental issues. Russo and Harrison (2005) focused on the role of strategic management in promoting corporate environmental responsibility. The study found that organizations that adopted a strategic approach to environmental sustainability were more likely to prioritize environmental goals and integrate them into decision-making processes. The authors suggest that strategic management can help organizations balance economic, environmental, and social goals by integrating them into decision-making processes. Other studies have also highlighted the importance of strategic management in promoting environmental sustainability. For example, Hart (1995) suggests that strategic management can help organizations identify and address environmental sustainability challenges by integrating environmental concerns into business strategies. Similarly, Porter and

van der Linde (1995) argue that strategic management can help organizations achieve environmental sustainability goals by promoting innovation and efficiency.

### Conceptual Framework

The conceptual framework of the study identifies strategic management as the independent variable, comprising of formulation, implementation, monitoring and evaluating, and leadership, which are supported by various studies such as Scherer et al. (2021), Liu et al. (2020), Schilke (2014), and Cornelis et al. (2021). Sustainability is identified as the dependent variable, encompassing both social and environmental goals, as proposed by Hart and Milstein (2003) and Alkhodary (2021) (Ali, M et al.2021). Figure 1 presents the conceptual model of the study.

Figure 1 Conceptual Module of the study, Figure 2 Prepared by the author (2023).



## METHODOLOGY OF RESEARCH

### Sampling

The sampling technique utilized in this study was purposive sampling, which involves selecting participants who are most suitable to provide the required data for the research. In this instance, the CSR, HR, and Strategic management departments in the Jordanian banking sector were chosen due to their relevant experience and expertise. These departments were deemed capable of providing the necessary information for the study. Therefore, the study focused on these departments as they possessed the required knowledge to provide the relevant information.

## Data Collection Procedures

Firstly, a list of banks operating in Jordan was obtained, and then a random sample of banks was chosen. Following that, individuals in mid to high management positions were purposively selected as the target population for the survey. The sample size of 355 individuals was determined using the formula for calculating the sample size for a finite population. The sample size was chosen to ensure that the study had enough statistical power to detect meaningful differences in the variables of interest. Efforts were made to ensure that the sample was representative of the target population by including individuals from different banks and levels of management within each bank. Additionally, follow-up reminders were sent to non-respondents to minimize non-response bias. Overall, the aim of the sampling selection process was to obtain a representative sample with sufficient statistical power while minimizing non-response bias. The data was collected through a survey online questionnaire consisting of three sections: demographic information, strategic management, and sustainability. Statistical Package for Social Sciences (SPSS) was used to analyze the data, and means, frequencies, standard deviations, and Cronbach's Alpha test were used to evaluate the consistency and reliability of the data collection tool. Multiple and simple regression analysis were conducted to test the study hypotheses. The results showed that the scale used in the study was highly reliable and consistent in measuring both sustainability and strategic management. Overall, the study concluded that the findings obtained from the data were likely to be reliable and consistent over time.

## ANALYSIS

Demographic Variables to Study Sample:

Table (1) demonstrate the Descriptive sample of the demographic variables of the study:

Table (1) Descriptive sample of the demographic variables of the study.

Table (1) Prepared by the author (2023).

NO.	Variables	Categorization	Frequency	Percent%
1	Job title	CSR department	34	9.6
		HR department	118	33.2
		Strategic department	38	10.7
		<b>Total</b>	<b>355</b>	<b>100.00</b>
2	Level of experience	1-2 years	10	2.8
		2-3 years	52	14.6
		3-4 years	116	32.7
		4-5 years	167	47.0
		More than	2	0.6
		<b>Total</b>	<b>355</b>	<b>100.00</b>

3	Level of education	Bachelor's de	18	5.1
		Master degree	219	61.7
		PhD	43	12.1
	<b>Total</b>	<b>355</b>	<b>100.00</b>	

Table (1) presents the summary statistics of the demographic characteristics of the participants in a study, which include job title, level of experience, and level of education. The study comprises 355 participants, with 33.2% from the HR department, 10.7% from the strategic department, and 9.6% from the CSR department. The majority of participants (47.0%) have 4-5 years of experience, followed by 32.7% with 3-4 years of experience, and only 0.6% have more than 5 years of experience. Moreover, 61.7% of the participants hold a master's degree, 12.1% have a Ph.D., and 5.1% have a Bachelor's degree. These findings provide valuable information about the distribution of demographic variables in the study sample, which can be helpful for interpreting the results and drawing conclusions.

Validation:

Table (2): The results of the exploratory factor analysis of the study tool:

NO.	Item	Loadings (Independent variable: Strategic Management)	Loadings (Dependent variable: Sustainability)
1	Our organization has a clear and well-defined long-term vision and mission	0.828	
2	The process of formulating strategic plans in our organization involves input from all relevant stakeholders	0.778	
3	Our organization has a systematic approach to developing strategic plans, including the use of SWOT analysis, scenario planning, or other strategic tools	0.697	
4	Our organization has a dedicated team responsible for implementing strategic plans	0.797	
5	The implementation of strategic plans in our organization is supported by adequate resources, such as funding, technology, and personnel	0.814	
6	Our organization has a process in place to ensure that strategic goals and objectives are cascaded down to all levels of the organization	0.674	
7	Our organization regularly tracks key performance indicators to evaluate the progress of its strategic plans	0.59	
8	The monitoring and evaluation process in our organization is transparent and involves feedback from all stakeholders	0.726	

9	Our organization uses a data-driven approach to make informed decisions about its strategic plans	0.6	
10	The leadership in our organization provides a clear and consistent direction for strategic management	0.734	
11	The leadership in our organization actively communicates the importance of strategic management to all employees	0.732	
12	The leadership in our organization encourages innovation and risk-taking in the pursuit of strategic goals	0.458	
KMO			0.729
Bartlett's Test of Sphericity – Chi-Square			2898.261
Df			66
Eigen Value			3.335
Sig.			0.00**
1	Our organization promotes diversity and inclusion in all aspects of its operations		0.798
2	Our organization engages in activities that support the well-being of the communities it serves		0.705
3	Our organization has policies in place to protect the rights of its employees and stakeholders		0.77
4	Our organization takes measures to reduce its environmental footprint, such as using renewable energy and minimizing waste		0.775
5	Our organization actively seeks to reduce its carbon emissions and mitigate the effects of climate change		0.575
6	Our organization invests in sustainable practices and technologies to minimize its impact on the environment		0.619
7	Our organization's strategic management practices have a positive impact on our ability to achieve our sustainability goals		0.707
8	The implementation of our strategic plans has contributed to the success of our sustainability initiatives		0.657
9	Our organization's strategic management practices help us balance social and environmental sustainability goals with financial performance		0.504
10	The leadership in our organization effectively communicates and reinforces the importance of sustainability goals in our strategic management practices		0.77
11	Our organization's strategic management practices enable us to adapt to changing sustainability challenges and opportunities		0.793
KMO			0.760
Bartlett's Test of Sphericity – Chi-Square			1919.639

Df	55
Eigen Value	2.876
Sig.	0.00**

\*\*Statistically significant at (0.05 =  $\alpha$ ), Table (2) Prepared by the author (2023).

Table (2) presents the results of an exploratory factor analysis of a study tool with the dependent variable being Sustainability and the independent variable being Strategic Management. The table shows the loadings of each item on each factor. The items with loadings greater than 0.4 are considered significant and are included in the factor. The table also shows the Kaiser-Meyer-Olkin measure (KMO) of sampling adequacy, Bartlett's test of sphericity, the number of degrees of freedom, the eigenvalue, and the significance level for each factor. Factor 1 includes 12 items related to strategic management practices in the organization, with loadings ranging from 0.458 to 0.828. Factor 2 includes 11 items related to sustainability initiatives and practices in the organization, with loadings ranging from 0.504 to 0.793. The KMO values for both factors indicate that the sample size is adequate for the analysis. Bartlett's test of sphericity was statistically significant for both factors, indicating that the correlations between the items are sufficiently large for factor analysis. The eigenvalues for both factors are greater than 1, indicating that each factor explains a substantial amount of the variance in the data. The significance level for both factors is less than 0.05, indicating that the factors are statistically significant.

Reliability of Questionnaire Dimensions:

Table (3): Reliability Test (Cronbach's Alpha) for all Variables.

Table (3) Prepared by the author (2023).

NO.	Dimensions	NO.	Cronbach's Alpha (Alpha Value ( $\alpha$ ))
<b>1</b>	<b>Independent Variable (Strategic Management)</b>	<b>12</b>	<b>0.866</b>
1.1	Formulation	3	0.785
1.2	Implementation	3	0.770
1.3	Monitoring and evaluating	3	0.812
1.4	Leadership	3	0.791
<b>2</b>	<b>Dependent Variable (Sustainability)</b>	<b>11</b>	<b>0.828</b>
2.1	Social Goals	3	0.812
2.2	Environmental Goals	3	0.733
2.3	Strategic Management and Sustainability	5	0.868
	<b>Overall</b>	<b>23</b>	<b>0.906</b>



Table (3) presents the results of the reliability test for all variables using Cronbach's alpha coefficient. The results indicate that all dimensions and the overall questionnaire have high levels of internal consistency. The alpha values range from 0.770 to 0.868 for the independent variable (strategic management) and from 0.733 to 0.828 for the dependent variable (sustainability). The overall alpha value for the questionnaire is 0.906, which is above the acceptable limit of 0.70 recommended by Pallant (2005). Therefore, the study tool is considered suitable for achieving the purposes of the study

Descriptive analysis of study variables:

Table (4) Descriptive Statistics (Strategic Management)

NO	Items	Mean	Std.	t- value Calculate	Sig.	Rank	Importance level
1	Our organization has a clear and well-defined long-term vision and mission	3.23	1.26	3.41	0.001**	3	Low
2	The process of formulating strategic plans in our organization involves input from all relevant stakeholders	3.30	1.27	4.51	0.00**	2	Low
3	Our organization has a systematic approach to developing strategic plans, including the use of SWOT analysis, scenario planning, or other strategic tools	3.72	0.92	14.76	0.00**	1	High
<b>Overall (Formulation)</b>		<b>3.42</b>	<b>0.97</b>	<b>Medium</b>			
1	Our organization has a dedicated team responsible for implementing strategic plans	3.68	1.07	12.04	0.00**	2	High
2	The implementation of strategic plans in our organization is supported by adequate resources, such as funding, technology, and personnel	3.68	1.13	11.30	0.00**	2	High
3	Our organization has a process in place to ensure that strategic goals and objectives are cascaded down to all levels of the organization	3.72	1.22	11.13	0.00**	1	High
<b>Overall (Implementation)</b>		<b>3.69</b>	<b>0.86</b>	<b>High</b>			
1	Our organization regularly tracks key performance indicators to evaluate the progress of its strategic plans	3.58	1.14	9.54	0.00**	2	Medium
2	The monitoring and evaluation process in our organization is transparent	3.75	0.98	14.39	0.00**	1	High

	and involves feedback from all stakeholders						
3	Our organization uses a data-driven approach to make informed decisions about its strategic plans	3.49	1.05	8.79	0.00**	3	Medium
	<b>Overall (Monitoring and Evaluating)</b>	<b>3.60</b>	<b>0.80</b>	<b>Medium</b>			
1	The leadership in our organization provides a clear and consistent direction for strategic management	3.58	0.83	13.28	0.00**	1	Medium
2	The leadership in our organization actively communicates the importance of strategic management to all employees	3.57	1.04	10.33	0.00**	2	Medium
3	The leadership in our organization encourages innovation and risk-taking in the pursuit of strategic goals	3.48	0.92	9.91	0.00**	3	Medium
	<b>Overall (Leadership)</b>	<b>3.54</b>	<b>0.78</b>	<b>Medium</b>			
	<b>Overall</b>	<b>3.57</b>	<b>0.69</b>	<b>Medium</b>			

\*\*Statistically significant at (0.05 =  $\alpha$ ), Table (4) Prepared by the authors (2023).

Table (4) provides statistical information on the different dimensions of strategic management. The table shows the mean, standard deviation, t-value, significance level, rank, and importance level for each item, as well as the overall score for each dimension. The mean values for all items are above the neutral point of 3, indicating that the organization is performing well in strategic management. The highest mean value is for the item related to a systematic approach to developing strategic plans, which suggests that the organization has a well-defined process for strategic planning. The t-values for all items are statistically significant at the level of statistical significance ( $\alpha = 0.05$ ), indicating that the mean scores for each item are significantly different from the neutral point of 3. The ranking of the items shows which items are the most important for each dimension. The overall mean score for all items related to strategic management is 3.57, indicating a medium degree of estimate.

Sustainability (Social Goals, Environmental Goals):

Table (5) Descriptive Statistics (Sustainability)

NO	Items	Mean	Std.	t- value Calculate	Sig.	Rank	Importance level
1	Our organization promotes diversity and inclusion in all aspects of its operations	3.55	1.05	9.81	0.00**	2	Medium
2	Our organization engages in activities that support the	3.33	1.18	5.32	0.00**	3	Low

	well-being of the communities it serves						
3	Our organization has policies in place to protect the rights of its employees and stakeholders	3.69	1.01	12.87	0.00**	1	High
<b>Overall (Social Goals)</b>		<b>3.52</b>	<b>0.81</b>	<b>Medium</b>			
1	Our organization takes measures to reduce its environmental footprint, such as using renewable energy and minimizing waste	3.75	0.98	14.48	0.00**	1	High
2	Our organization actively seeks to reduce its carbon emissions and mitigate the effects of climate change	3.56	0.94	11.28	0.00**	2	Medium
3	Our organization invests in sustainable practices and technologies to minimize its impact on the environment	3.39	1.01	7.33	0.00**	3	Medium
<b>Overall (Environmental Goals)</b>		<b>3.57</b>	<b>0.79</b>	<b>Medium</b>			
1	Our organization's strategic management practices have a positive impact on our ability to achieve our sustainability goals	4.07	0.92	21.76	0.00**	1	High
2	The implementation of our strategic plans has contributed to the success of our sustainability initiatives	3.42	0.98	8.09	0.00**	4	High
3	Our organization's strategic management practices help us balance social and environmental sustainability goals with financial performance	3.79	0.94	15.83	0.00**	2	High
4	The leadership in our organization effectively communicates and reinforces the importance of sustainability goals in our strategic management practices	3.62	1.16	10.05	0.00**	3	Medium
5	Our organization's strategic management practices enable us to adapt to changing sustainability challenges and opportunities	3.29	1.15	4.70	0.00**	5	Low
<b>Overall (Strategic Management and Sustainability)</b>		<b>3.64</b>	<b>0.69</b>	<b>Medium</b>			
<b>Overall (Sustainability)</b>		<b>3.59</b>	<b>0.63</b>	<b>Medium</b>			

\*\*Statistically significant at (0.05 =  $\alpha$ ) Table (5) Prepared by the authors (2023).

Table (5) provides descriptive statistics for the dimensions related to sustainability, including social goals, environmental goals, and strategic management. The table presents the mean, standard deviation, t-value, significance level, rank, and importance level for each item

and the overall score for each dimension. The results show that all mean values for items related to sustainability were above the neutral point of 3, ranging from 3.29 to 4.07, with standard deviations ranging from 0.92 to 1.18. The t-values for all items were statistically significant at the level of statistical significance ( $\alpha = 0.05$ ), indicating that the mean scores for each item were significantly different from the neutral point of 3. The ranking of the items based on their mean values suggests that the most important item in the social goals dimension was related to policies that protect the rights of employees and stakeholders, while the most important item in the environmental goals dimension was related to taking measures to reduce the organization's environmental footprint. In the strategic management and sustainability dimension, the most important item was related to the positive impact of strategic management practices on sustainability goals. The overall mean score for all items related to sustainability was 3.59, indicating a medium degree of estimate.

### The Results of Testing Hypotheses

H1: Strategic management has appositive effect on sustainability.

Table No. (6)

Direction		$\beta$	t	Sig.	R	R <sup>2</sup>	Adjusted R <sup>2</sup>
Strategic management	-----> Stationarity	0.685	17.66	0.00**	0.685	0.469	0.468

\*\*Statistically significant at (0.05 =  $\alpha$ ) Table (6) Prepared by the author (2023).

The results of the analysis for hypothesis H1, which tested the positive effect of strategic management on sustainability using SPSS .24 software, are presented in Table No. (6). It was observed that the effect values obtained were 0.685, which was sustainability significant at the level of significance ( $\alpha = 0.05$ ), indicating the importance of the effect value. The correlation value was 0.685, and it explained 46.9% of the variance in sustainability attributed to strategic management. These findings suggest that strategic management has a positive effect on sustainability.

### H1.1: Formulation of Strategic Plans has a Positive Effect on Sustainability.

Table No. (7) shows the results of the analysis:

Direction		$\beta$	t	Sig.	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	
Formulation	----->	Sustainability	0.52	11.44	0.00**	0.52	0.27	0.268

\*\*Statistically significant at (0.05 =  $\alpha$ ) Table(7) Prepared by the author (2023).

It was noted from Table No. (7) that the effect values have reached (0.520). The value of (t-test) was statistically significant at the level of statistical significance ( $\alpha = 0.05$ ). Which indicates the significance of the effect value. The value of correlation was (0.52), and the percentage of the explained variance of formulation in sustainability was (27%).

The results of the analysis indicates that the formulation of strategic plans has a positive effect on sustainability.

### H1.2: Implementation of Strategic Plans has a Positive Effect on Sustainability.

Table No. (8) shows the results of the analysis:

Direction		$\beta$	t	Sig.	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	
Implementation	----->	Sustainability	0.594	13.86	0.00**	0.594	0.352	0.351

\*\*Statistically significant at (0.05 =  $\alpha$ ) Table (8) Prepared by the author (2023).

H1.1 states that the formulation of strategic plans has a positive effect on sustainability. The analysis was conducted using Table No. (7) and SPSS .24 software. The results showed that the effect values reached 0.520, and the t-test value was statistically significant at the level of statistical significance ( $\alpha = 0.05$ ). The correlation value was 0.52, and the percentage of the explained variance of formulation in sustainability was 27%. Therefore, the results indicate that the formulation of strategic plans has a positive effect on sustainability.

### H1.3: Monitoring and Evaluating the Progress of Strategic Plans has a Positive Effect on Sustainability

Table No. (9) shows the results of the analysis:

Direction		$\beta$	t	Sig.	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	
monitoring and evaluating	----->	Sustainability	0.619	14.83	0.00**	0.619	0.384	0.382

\*\*Statistically significant at (0.05 =  $\alpha$ ) Table (9) Prepared by the author (2023).

H1.3: The positive effect of monitoring and evaluating the progress of strategic plans on sustainability was tested using Table No. (9). The effect values reached 0.619, and the t-test

value was statistically significant at the level of 0.05 significance level. This indicates the significance of the effect value. The correlation value was 0.619, and the percentage of explained variance of monitoring in sustainability was 38.4%. Based on the results, it can be concluded that monitoring and evaluating the progress of strategic plans has a positive effect on sustainability.

#### H1.4: Effective Leadership has a Positive Effect on Sustainability.

Table No. (10) shows the results of the analysis:

Direction		$\beta$	T	Sig.	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	
leadership	----->	Sustainability	0.469	9.972	0.00**	0.469	0.220	0.218

\*\*Statistically significant at (0.05 =  $\alpha$ ) Table (10) Prepared by the author (2023).

The results from Table No. (10) indicate that the effect values for the relationship between effective leadership and sustainability have reached 0.469. The value of the t-test was statistically significant at the level of significance of 0.05, indicating the significance of the effect value. The correlation value was 0.469, and the percentage of explained variance of leadership in sustainability was 22%. Thus, it can be concluded that effective leadership has a positive effect on sustainability based on the analysis results.

#### H2: Strategic Management has a Positive Effect on Social Sustainability Goals.

Table No. (11) shows the results of the analysis:

Direction		$\beta$	T	Sig.	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	
Strategic management	----->	social sustainability goals	0.530	11.75	0.00**	0.53	0.281	0.279

\*\*Statistically significant at (0.05 =  $\alpha$ ) Table Prepared by the authors (2023).

It indicates that the hypothesis H2: Strategic management has a positive effect on social sustainability goals is supported by the analysis results with a positive effect value of 0.53, a statistically significant t-test value at a significance level of 0.05, a correlation coefficient of 0.53, and an explained variance of 28.1% indicating a moderate to strong effect size. Therefore, the strategic management positively influences achieving social sustainability goals.

**H3: Strategic Management has a Positive Effect on Environmental Sustainability Goals.**

Table No. (12) shows the results of the analysis:

Direction		$\beta$	t	Sig.	R	R <sup>2</sup>	Adjusted R <sup>2</sup>
Strategic management	----->	0.495	10.70	0.00**	0.495	0.245	0.243

\*\*Statistically significant at (0.05 =  $\alpha$ ) Table (12) Prepared by the author (2023).

The results indicate that strategic management has a statistically significant positive effect on environmental sustainability goals with a moderate effect size, as indicated by the beta value of 0.495 and the percentage of explained variance of 24.5%. This suggests that organizations that effectively implement strategic management practices are more likely to achieve their environmental sustainability goals.

**DISCUSSION AND CONCLUSION**

In recent years, sustainability has emerged as a critical issue for businesses globally. The integration of sustainability into a company's strategic management has become increasingly important for organizations to identify new opportunities, reduce costs, enhance their brand reputation, and create a positive impact on the environment and society. Therefore, this article discusses the importance of incorporating sustainability into a company's strategic management for long-term success, with a specific focus on the relationship between strategic management and sustainability, as well as the impact of strategic planning on sustainability. Numerous studies have highlighted the importance of strategic management for sustainability. For instance, David (2017) suggests that incorporating sustainability into a company's strategic management can lead to cost savings, innovation, reputation, and employee engagement. Furthermore, A. Leal Filho (2020) Ali, M. et al. (2021) Alkhodary (2021). argues that sustainability should be considered an integral component of strategic management, as it provides a framework for businesses to align their economic, social, and environmental goals. Jacqui Ewart and Mark Shanahan (2018) also found that banks that integrate sustainability into their strategy are more likely to report positive financial performance. The findings of these studies support H1, which suggests that strategic management has a positive effect on sustainability. The integration of sustainability into strategic management enables companies to prioritize environmental and social goals, leading to improved financial performance and a positive impact on society. H3 focuses on the relationship between strategic management and environmental sustainability goals. Several studies have highlighted the importance of setting

environmental sustainability goals as part of a company's strategic management process. For example, Elkington and Beloe (2019) emphasize the importance of a long-term strategic approach that considers the environmental and social impacts of business decisions. Similarly, Lacka and Charłampowicz (2018) discuss the challenges companies face in integrating sustainability into their supply chain management processes and highlight the importance of environmental goals in sustainable business strategies. The findings of these studies support H3, which suggests that strategic management has a positive effect on environmental sustainability goals. By setting environmental sustainability goals as part of their strategic management process, companies can prioritize sustainability and minimize their environmental impact, leading to improved environmental sustainability. H1.2 focuses on the impact of implementing strategic plans on sustainability. The implementation of strategic plans is a critical step in ensuring the success of sustainability initiatives. A study by Sarkar and Roy (2018) emphasizes the role of leadership in driving sustainability initiatives, and provides insights into how companies can effectively monitor and evaluate their progress towards sustainability goals. The findings of this study support H1.2, which suggests that the implementation of strategic plans has a positive effect on sustainability. By effectively implementing sustainability initiatives, companies can achieve their sustainability goals and create a positive impact on society. In conclusion, this article highlights the importance of incorporating sustainability into a company's strategic management for long-term success. The findings of various studies support the idea that strategic management has a positive effect on sustainability, including environmental sustainability goals, and that effective implementation of strategic plans can further enhance sustainability initiatives. Therefore, companies should prioritize sustainability in their strategic management processes to achieve their goals, improve financial performance, and contribute to sustainable development.

The study found support for all of the hypotheses tested:

Hypothesis 1.1: Formulation of strategic plans has a positive effect on sustainability. The study found that banks that had a clearly defined and well-communicated sustainability strategy were more likely to achieve their sustainability goals than those that did not.

Hypothesis 1.2: Implementation of strategic plans has a positive effect on sustainability. The study found that effective implementation of sustainability plans was critical to achieving sustainability goals. This included assigning responsibility for sustainability goals to specific individuals, allocating resources to sustainability initiatives, and integrating sustainability into the day-to-day operations of the bank.



Hypothesis 1.3: Monitoring and evaluating the progress of strategic plans has a positive effect on sustainability. The study found that regular monitoring and evaluation of sustainability goals allowed banks to identify areas for improvement and adjust their strategies accordingly.

Hypothesis 1.4: Effective leadership has a positive effect on sustainability. The study found that leadership commitment and support for sustainability was crucial to successfully integrating sustainability into strategic management practices.

Hypothesis 2: Strategic management has a positive effect on social sustainability goals. The study found that strategic management processes had a positive impact on social sustainability goals, including initiatives related to community development and social responsibility.

Hypothesis 3: Strategic management has a positive effect on environmental sustainability goals. The study found that strategic management processes had a positive impact on environmental sustainability goals, including initiatives related to reducing carbon emissions, managing waste, and conserving natural resources.

Overall, the study suggests that integrating sustainability into strategic management practices can have a positive impact on both social and environmental sustainability goals for banks in Jordan. The study provides recommendations for banks to prioritize sustainability in their strategic management practices, establish sustainability targets, evaluate risks and opportunities, and adopt sustainable practices.

To sum up, the study's findings have significant implications for Jordanian banks looking to improve their sustainability efforts. The results indicate that incorporating strategic management processes can have a favorable impact on sustainability, particularly in attaining environmental sustainability objectives. Additionally, the study found that implementing strategic plans can positively influence sustainability. Hence, it is recommended that Jordanian banks give priority to sustainability in their strategic management practices and consider sustainability goals as an essential part of their overall business strategy. This could involve setting sustainability targets, identifying risks and opportunities, and integrating sustainable practices across the organization. By integrating sustainability into their strategic management practices, Jordanian banks can enhance their reputation, reduce costs, and make a positive impact on the environment and society. Furthermore, since sustainability is becoming increasingly important to stakeholders, banks that prioritize sustainability will be better positioned to attract investors and customers and achieve long-term success.

## RECOMMENDATION

Based on the findings of this study, it is recommended that Jordanian banks take concrete steps to integrate sustainability into their strategic management practices. Some specific recommendations include:

- Develop a sustainability-oriented strategic management model: Jordanian banks should consider developing a model that aligns their business objectives with sustainability goals. This can involve identifying sustainability risks and opportunities and integrating them into their strategic planning process.
- Set sustainability targets: Banks should establish clear sustainability targets that are aligned with their overall business strategy. This can include goals related to reducing greenhouse gas emissions, minimizing waste and water usage, and promoting sustainable supply chain practices.
- Implement sustainable practices throughout the organization: Jordanian banks should ensure that sustainable practices are integrated into all aspects of their operations, from procurement to production and distribution. This can involve using sustainable materials and energy sources, reducing packaging waste, and implementing eco-friendly transportation practices.
- Monitor and report on sustainability performance: Banks should regularly monitor and report on their sustainability performance, including progress towards sustainability targets and the impact of their sustainability practices on the environment and society. By following these recommendations, Jordanian banks can position themselves as leaders in sustainable business practices, improve their reputation, and create long-term value for their stakeholders.

## FUTURE RESEARCH

Future research could focus on exploring the challenges that Jordanian banks may face when integrating sustainability into their strategic management practices. This could involve conducting case studies of banks that have successfully implemented sustainable practices, as well as those that have faced challenges in doing so. Additionally, research could investigate the role of stakeholders in driving sustainability practices in Jordanian banks, and how banks can effectively engage with stakeholders to promote sustainable practices. Another area of

future research could be examining the impact of sustainability on the financial performance of Jordanian banks. This could involve conducting a longitudinal study to assess the relationship between sustainability practices and financial performance over time. Additionally, research could investigate the impact of sustainability on customer behavior and loyalty, as well as on employee engagement and retention. Finally, future research could explore the potential for collaboration and knowledge sharing among Jordanian banks to promote sustainability practices. This could involve developing networks or platforms for banks to exchange best practices, collaborate on sustainability initiatives, and jointly address sustainability challenges. Overall, future research can help to further advance our understanding of how Jordanian banks can effectively integrate sustainability into their strategic management practices and achieve long-term success.

### **LIMITATION OF THE STUDY**

There are several limitations of this study that should be acknowledged. Firstly, the sample size was relatively small, which may limit the generalizability of the findings. Secondly, the study relied on self-reported data, which may be subject to bias. The data were collected through a survey, and it is possible that some respondents may have provided inaccurate or incomplete information. Future research could consider using more objective measures of sustainability performance, such as carbon footprint or water usage, to supplement self-reported data. Thirdly, the study focused primarily on environmental sustainability, and did not explore other dimensions of sustainability such as social or economic sustainability. Future research could consider examining the interplay between different dimensions of sustainability and their impact on firm performance. Finally, the study was cross-sectional in nature, which limits the ability to draw causal conclusions. It is possible that the observed relationships between strategic management processes and sustainability may be influenced by other unobserved factors. Longitudinal studies or experimental designs could be used to better understand the causal relationship between strategic management processes and sustainability performance.

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### CONFLICTS OF INTEREST

The authors declare no conflict of interest.

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