

The Effect of Commitment to Applying Governance Principles on Social Responsibility and Sustainable Performance in Small Enterprises after Corona Pandemic

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Abstract

The study investigated to what extent the commitment to applying the principles of governance affects enhancing social responsibility and sustainable performance in small enterprises after the Corona pandemic. The problem of the study was represented in the changes in business environment, the financial crises and Corona pandemic crisis affected the sustainable performance of small enterprises. Financial irregularities also increased criticism of business management away from the social and ethical framework of business. The importance of the study lied in the importance of commitment to applying the principles of corporate governance in small enterprises and their role on achieving social responsibility and enhancing business ethics and quality of sustainable performance after the Corona pandemic. The study aimed to clarify to what extent applying the principles of governance affects enhancing social responsibility and quality of sustainable performance in small enterprises in the Kingdom of Saudi Arabia, and to explain to what extent applying the principles of governance affects enhancing business ethics and the quality of sustainable performance in small enterprises in the Kingdom of Saudi Arabia. The study verified the hypotheses: There is a statistically significant relationship between the commitment to applying the principles of governance and enhancing social responsibility and sustainable performance of small enterprises after Corona pandemic. There is a statistically significant relationship between the commitment to applying the principles of governance and business ethics in small enterprises after Corona pandemic. The researchers concluded the findings: There is a statistically significant relationship between the commitment

to applying the principles of governance and enhancing social responsibility and sustainable performance of small enterprises after Corona pandemic. Governance contributes to managing and organizing the relationship between shareholders and quality of sustainable performance, contributes to selecting available ethical alternative and satisfies all stakeholders. Based on the findings the researchers recommend: Governance should be adopted because it increases performing social responsibility and right behavior, investing energies and gaining client's and customer's trust in product. Governance should be used as it achieves justice, equality and fair competition in community.

Introduction

Commitment to applying the principles of corporate governance is considered an essential tool for improving corporate performance, advancing development, achieving social responsibility and enhancing business ethics in small enterprises in the Kingdom of Saudi Arabia. It also considered one of economic tools to achieving economic development, 2030 Vision objectives, social responsibility, overcoming impacts of unexpected crises – such as Corona pandemic which negatively affected the performance of many small enterprises in various economic sectors in the Kingdom of Saudi Arabia. Some small enterprises non commitment to applying the principles of corporate governance negatively affected their economic and social performance. 95.5% of the small enterprises affected by the pandemic and encountered great difficulties in performing their activities during the pandemic because of the closure procedures. Enterprises revenues decreased as a result of a decrease in sales. Also operational, managerial and marketing risks increased leading many enterprises to reducing the size of employment, minimizing working hours, and canceling the implementation of programs and plans. These risks and difficulties could be overcome by committing to the principles of corporate governance and achieving the dimensions of social responsibility in small enterprises.

Study Problem

The problem of the study was represented in that business environment, negatively affected by financial crises and the Corona pandemic crisis affected the sustainable performance of small enterprises. In addition, financial irregularities also increased criticism of business management away from the social and ethical framework of business, where doubling profits became the aim of all business organizations. This led to social and ethical issues. Therefore, this study investigates the impact of commitment to applying the principles of governance on achieving the social responsibility of small enterprises and the quality of their sustainable performance.

Study Significance

The importance of the study is represented in the importance of commitment to applying the principles of corporate governance in small enterprises and its role on achieving social responsibility and enhancing business ethics and the quality of sustainable performance. The Corona pandemic greatly affected the performance of many small enterprises while the impact was less in those committed to applying the principles of corporate governance.

Study Objectives

The study aims to:

- 1- Clarify to what extent applying the principles of governance enhances social responsibility and the quality of sustainable performance in small enterprises in the Kingdom of Saudi Arabia.
- 2- Explain to what extent applying the principles of governance enhances business ethics and the quality of sustainable performance in small enterprises in the Kingdom of Saudi Arabia.

Study Hypotheses

The study attempts to verify the hypotheses:

- 1- There is a statistically significant relationship between the commitment to applying governance principles and the enhancement of social responsibility and sustainable performance of small enterprises after the Corona pandemic.
- 2- There is a statistically significant relationship between the commitment to applying the principles of governance and business ethics in small enterprises after the Corona pandemic.

Study Method

The researchers adopted the descriptive analytical approach and the historical approach based on books and university theses. The researchers used the questionnaire as method of data collection as one of the sources of data collection.

Study Population

The population of the study consisted of almost the whole small enterprises, including commercial, service and industrial enterprises in the city of Khamis Mushait.

Study Sample

The sample of the study was selected randomly of (120) small enterprises, to where the questionnaire was distributed. (107) of the distributed questionnaires (89.1%) of the number were answered.

Study Tools

Primary studies: Include the field study - a questionnaire.

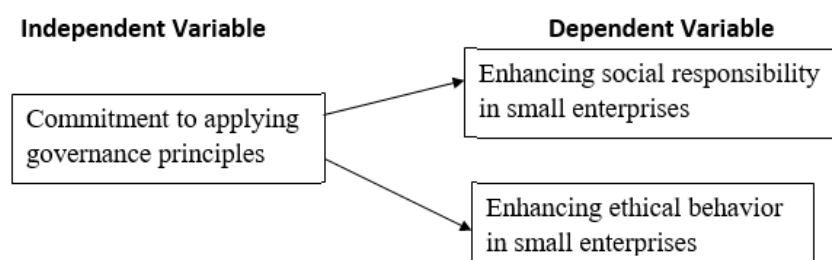
Secondary studies: Include previous studies - books - magazines - blogs - the Internet.

Study Limits

Spatial limits: the city of Khamis Mushait.

Time limits: 2022/2023.

Study Model



Previous Studies

Masoud (2020) conducted a study, entitled: The Role of Governance on Achieving Corporate Sustainability and the Kingdom's Vision 2030: A comparative study between the Saudi corporate system and Islamic Sharia, Saudi Arabia. The study aimed to investigate the role of corporate governance on achieving corporate sustainability and Kingdom's 2030 Vision: A comparison between Saudi corporate system and Islamic Sharia. The study data was statistically analyzed. The study concluded the findings: Applying governance in the Saudi corporate system leads to effectiveness, responsibility, enforcement of contracts and the growth of Saudi companies into giants what creates wealth and fights poverty. Applying governance in the Saudi corporate system leads to attracting foreign investment, improves competitiveness, and achieves vision and sustainable development in accordance with the Islamic Sharia.

Kashat (2020) conducted a study, entitled: Sustainable Performance of Business Organizations: A Study in Measurement and Disclosure Models, Algeria. The study aimed to give an in-depth reading of the concept of sustainable performance of business organizations. The study used the analytical descriptive and the comparative approaches. The content analysis was used in the literature specialized in the fields of sustainable development and social responsibility of organizations. The study concluded the findings: Setting comprehensive indicators of sustainable performance requires the management of organizations to be aware of the combination between strategic comparison, comparison

of sustainable development and corporate governance, where the Triple Performance Model (TBL) is the most reliable measurement and the Global Reporting Initiative is the most used in disclosing the comprehensive performance of organizations.

Yamani (without date) conducted a study, entitled: The Impact of Corporate Governance on Fulfilling Social Responsibility in Saudi Shareholding companies, King Abdul Aziz University, Department of Accounting, Saudi Arabia. The study aimed to identify the impact of commitment to the principles of governance as specified. The study used the Statistical Package for Social Science SPSS in analyzing the data. The study concluded the findings: There is a statistically significant relationship for three sectors: the long-term goods sector, the public utilities sector, and the luxury goods retail sector. There is no a statistically significant relationship for companies as a whole due to the weak commitment to the principles of governance from the Capital Market Authority and due to the absence of any body that asks to committing to social responsibility.

Masoudi (2015) conducted a study, entitled: (The Role of Corporate Governance on Enhancing Social Responsibility in Economic Organization, Algeria). The study aimed to investigate the role of corporate governance on enhancing social responsibility in economic organization. The study concluded the findings: the corporate governance (dimensions of shareholders, management, stakeholders) has a role on the economic, legislative and human dimensions of social responsibility. There are no statistically significant differences in personal and job variables.

Corporate Social Responsibility

Developments in the business environment were characterized by happen dynamically. Community no longer evaluates small enterprises based on their reputation, financial position, maximizing profit and achieving capital owners' objectives. The evaluation of small enterprises became rather on their role and performance based on managers' response to the social responsibility. This concept has not characterized by much importance in our community due to the absence of the culture of social responsibility, thus applying corporate governance, as a term has become closely correlated with the concept of social responsibility and achieving financial returns for small enterprises.

Corporate Governance Concept

There are many definitions of the term 'Corporate Governance'; there is no unified and agreed-upon definition.

The Organization for Economic Co-operation and Development defines Governance as "the distribution of rights and responsibilities among the various participants in the company such as the board of directors,

managers, shareholders and other stakeholders. It also explains the rules and procedures of decision making in the company and provides the structure through which the company's objectives, the means to achieve them and control performance are set.

Sir Adrian Cadbury also defines Corporate Governance as based on a balance between economic and social objectives and between individuals' and community's objectives from the other hand. The goal is to bring together economic and social goals and the goals of individuals and society.

Corporate Governance is also defined as "the system through which the organization's work is directed and controlled at the highest level in order to achieve its objectives and meet the necessary standards of responsibility, integrity and transparency (Buraq & Mousawi, without date). The 2030 Vision of the Kingdom called to allocate governmental services and improve business environment in order to recruit the best global competencies and qualitative investments and to achieve the effectiveness and responsibility.

Ahmed (2012:186) confirmed the effect of applying the principles of governance in small enterprises. He farther stated that good governance liberates shareholders from managerial or executive jobs, which reduces disputes between shareholders who run managerial positions and other shareholders, especially when the number of shareholders is limited.

The Anti-Corruption Commission was established by Royal Decree No. (A/65) dated 13/4/14432 AH to protect integrity and fight corruption.

Governance Principles

It is a set of rules, systems and procedures that achieve the best protection and balance between the interests of the company's directors, shareholders and other stakeholders, and provide them with transparency and accountability that are beneficial to the small and medium enterprises sector. It is also a tool to attract investment and sustainable solutions to reduce poverty and achieve economic development and social welfare. The most important principles of governance that cause quality sustainable performance are:

First principle: Ensuring that there is a basis for an effective corporate governance framework.

Second principle: Protecting shareholders and facilitating the exercise of their rights.

Third principle: Equal treatment of shareholders.

Fourth principle: Disclosure and transparency.

Characteristics of Corporate Governance

Corporate governance is characterized by several advantages, including:

Discipline: Adopting the appropriate and correct ethical behavior in the performing work.

Transparency: Providing a true image of everything that happens focusing on credibility, clarity, disclosure and participation.

Independence: It is achieved through the existence of a chairman of the board of directors who is independent from the senior management, the existence of a supervisory board of directors independent of the executive management board, and the existence of a review committee headed by an independent board member.

Accountability: It means, in short, the account for certain actions and the responsibility for performing the work and assuming the position, the possibility of evaluating and appreciating the work of the board of directors and the executive management, so that the governance system allows the company to be held accountable to all shareholders and provides guidance to the company's board of directors on how to set the company's strategy and monitor management.

Responsibility: Responsibility to all interested parties.

Justice: The rights of the various groups of stakeholders in the establishment must be respected, and the company undertakes to protect the interests of shareholders and treat them equal, including small shareholders.

Social Responsibility: It is the responsibility towards stakeholders.

Concept of Social Responsibility of Small Enterprises

The concepts of social responsibility of small enterprises varied among researchers and specialists.

Ronald Paul Hill pointed out that corporate social responsibility is a strategy pursued by institutions that have social and cultural obligations that go beyond the economic functions of producing and distributing goods and services to generating a convincing level of profits for their shareholders.

Fouad defines social responsibility of corporation as an ethical commitment between the corporation and the community. The corporation seeks to strengthen the bonds between it and the community and enhance its position in the minds of consumers and community in general, which is reflected in its success and improvement of performance.

(Hussein, 2010) defines social responsibility as "the behavior of institutions in a manner that is responsible and accountable, not to the owners of property rights, but to other stakeholders such as employees, customers, the government, partners, local communities, and future generations."

Al-Bakri defined social responsibility as the set of decisions and actions taken by the institution to achieve the desired goals and values prevailing in society, which represent economic benefits that are part of its strategy.

Dimensions of Social Responsibility

Many authors dealt with defining the dimensions of social responsibility from different perspectives:

Pride & Ferrel (1997) define social dimensions of responsibility in:

Moral responsibility: It means that the organization is based on ethical foundations and commits to the right actions and to refrain from harming others.

Human responsibility: It means that the organization is useful and contributes to the development of community and improves the quality of life.

Legal responsibility: It means that the organization is committed to obeying the laws and gain the trust of others through its commitment to carrying out legitimate actions and not doing actions that violate the law.

Economic responsibility: It means that the organization is economically beneficial and feasible, and that it attempts to provide safety for others.

Fouad (2003) defines four dimensions of corporate social responsibility were adopted:

- Responsibility towards community: such as providing gifts and donations, completing basic projects, providing job opportunities for community members and the disabled, supporting cultural and civilization activities and supporting the local economy.
- Responsibility towards consumer protection: such as price determination, warranty, distribution, advertising, measures and weights, transportation and storage.
- Responsibility towards business ethics: such as the consistency of the company's objectives with the aims of community, non-monopoly of products, the existence of an ethical work guide, and encouraging employees to report negative practices, not to cheat prices.
- Responsibility towards protecting the environment and natural resources: such as commitment to environmental legislation, saving in the use of resources and energy, avoiding pollution and disposing waste.

Stakeholder Theory

The term 'Stakeholders' refers to groups with special interests that can influence the organization and be affected by the decisions of the organization, such as investors, users, government, pressure groups, and

community. The theory based on that the main objective of organization is to generate and maximize the value for all stakeholders from shareholders, suppliers, distributors, customers, employees, their families, the environment and the local community. The social responsibility is the means used to manage and organize its relationship with the clients.

2- Responsibility towards stakeholders: (social responsibility of small enterprises):

There is a debate in the field of governance about who are the parties that benefit from the company's gains, the stakeholders, the shareholders, or the customers. There are two theoretical schools, the first gave attention to the maximization of shareholders' value as guideline for organization management while the second calls for better exploitation and improvement of interests value.

3- The relationship between the characteristics of corporate governance and social responsibility.

4- The concept of social responsibility and the adoption of responsible behaviors reflect the increasing awareness and sustainable commercial success of small enterprises in the Kingdom of Saudi Arabia after the Corona pandemic through the commitment to the principles of governance and the achievement of economic development, according to research conducted by the International Monetary Fund.

- The more the state implements governance, the higher the per capita share of national income. (Buraq & Msawi , without date).

- Adopting the main measures of transparency led to reducing the price of international and local loans, which is an important element for attracting investments and reducing investment risk.

- There is a public accountability policy that increases the effectiveness of aid granted by operating financial organizations.

- Increase respect for the law and rational and better use of local resources without negatively affecting them.

- Clarity and transparency ensure efficient and effective use of resources.

- Commitment to applying the principles of governance achieves the social responsibility of small enterprises in Saudi Arabia.

- Social responsibility is the application of some corporate governance principles. The Section Five of Article Ten of the Corporate Governance Regulations in Saudi Arabia obliges the company a social contribution.

The commitment to corporate governance in small enterprises fights administrative corruption, encourages disclosure and transparency, protects stakeholders, especially shareholders and lenders, increases

trust in financial statements and reports, and accelerates development by raising the level of performance and attracting internal and external investments.

The commitment to social responsibility improves the relationship between the company and the parties of community in which it operates; the company fulfills its responsibilities towards the community and does not harm the environment and community (Buraq & Msawi , without date).

Business Ethics Concept

Aboud (2006:17) defines business ethics as set of standards and principles that regulate administrative behavior and represent guidelines for directors in decision making, selecting available ethical alternative that satisfies all stakeholders. Zakarya and Ahmed (2009:434) believe that business ethics include everything that relate to justice and equality in community expectations and fair competition, social responsibility and right behavior in local and international environment.

Relationship between Governance and Ethical Behavior Enhancement

Corporate governance based on several theories the most important is agency theory that refers to Jensen et Meckingskm (1976). this theory includes a relation according to which the capital owner requests the service of another person that requires deputation in authority. After the economic and financial crises the governance problem moves from the relation between shareholder and directors into a relation between organization and all parties. The governance transmitted from the mechanisms allowing control organization directors behavior according to the shareholder into mechanisms that allow control their behavior to fitful all stakeholders' desires. Governance deepens ethical sense through a set of rules and principles that determine the practices and behaviors of management in accordance with law in order to limit corruption.

Study Procedures

Study Population

The study population consisted of some small enterprises.

Study Sample

The sample of the study was selected deliberately of (180) employees working in Saudi business sector. It was a probable sample that the researcher selects from the study population using a method that allows equal chances for selecting the individuals of population the present study investigates.

Study Tool

A questionnaire was designed as the study tool. The researcher benefiting from the previous studies prepared the questionnaire statements covering the study aspects comprehensively and clearly. (180) questionnaires were distributed 157 (87.2%) of them recovered which is considered higher than the accepted rate (75%).

Table (1) Five-Point Likert Scale

Statement	Very highly	Highly	Moderately	Lowly	Very lowly
Weight	5	4	3	2	1

Source: Prepared by the researcher using SPSS2019

The table (1) above shows that the hypothetical mean equals:

$$\frac{1+2+3+4+5}{5} = 3$$

Study Tool Validity

The questionnaire was given to (5) referees from the teaching staff in the field to benefit from their experience. Then the researcher made some modifications they advised to include into the questionnaire statements in order to become more objective.

Study Tool Reliability

The reliability of a scale means that the scale is stable, does not contradict self and gives the same results with a probability equal to the value of the coefficient if it is re-applied to the same sample. Cronbach's Alpha coefficient is used to measure the reliability of the questionnaire statements. Cronbach's Alpha values range between zero and one. When the value equals zero this means the data are not reliable and vice versa if the value equals one. The closer value to one the high reliability and the closer value to zero the lower reliability. The coefficient that is less than 60% considered weak while that reaches 70% considered accepted.

According to Cronbach Alpha values for each aspect of the study statements is in the range (0.883-0.781), which is less than Cronbach Alpha coefficient for all the aspects of the study (0.929), this confirms that the reliability of the questionnaire is good, this also reflected on the validity coefficient which equals (0.96).

Table (2) Validity and Reliability Coefficients of Questionnaire Aspects

Aspects	Statements Number	Cronbach coefficient	Validity
Hypothesis one	11	0.781	0.88
Hypothesis two	9	0.883	0.94
Questionnaire aspects	20	0.929	0.96

Source: Prepared by the researcher using SPSS2019

The table (2) above shows that most of the reliability coefficients of the all aspects of the questionnaire greater than (0.60) this means that the scale is appropriate to measure the questionnaire aspects in the study population.

Data Analysis

First: Study Sample Demographic Information

1. Study sample distribution according to age

Table (3): Age distribution of the study sample

	Frequency	Percent
20 and less than 30 years	14	9.0%
30 and less than 40 years	64	41.0%
40 and less than 50 years	50	32.1%
50 and less than 60 years	24	15.4%
60 years and more	4	2.6%
Total	156	100%

Source: Prepared by the researcher using SPSS19

The table (3) above shows the age distribution of the study sample; there were (41%) of the study sample individuals their age (30 to 40) years, (32.1%) of them their age (40 to 50) years, (15.4%) of them their age (50 to 60) years, (9%) of them their age (20 to 30) and (2.6%) of them their age (60 years and more); therefore most of the study sample individuals their age (30 to 40) years old.

2. Study sample distribution according to education qualification

Table (4): Education qualification distribution of the study sample

	Frequency	Percent
Diploma	6	3.8%
Bachelor	66	42.3%
Higher Diploma	20	12.8%
Master	48	30.8%
Doctorate	16	10.3%
Total	156	100%

Source: Prepared by the researcher using SPSS19

The table (4) above shows the education qualification distribution of the study sample; (3.8%) of the study sample individuals' qualification was

diploma, (42.3%) of them their qualification was bachelor, (12.8%) their qualification was higher diploma, (30.8%) their qualification was master and (10.3%) of them their qualification was doctorate; therefore most of the study sample individuals were bachelor degree holders.

3. Study sample distribution according to specialization

Table (5): Specialization distribution of the study sample

	Frequency	Percent
Accounting	78	50.0%
Business Administration	28	17.9%
Economics	46	29.5%
Other	4	2.6%
Total	156	100%

Source: Prepared by the researcher using SPSS19

The table (5) above shows the specialization distribution of the study sample; there were (50%) of the study sample individuals their specialization accounting, (17.9%) of them their specialization business administration, (29.5%) their specialization economics, and (2.6%) of them have other specializations; therefore most of the study sample individuals' specialization accounting.

4. Study sample distribution according to years of experience

Table (6): Years of experience distribution of the study sample

	Frequency	Percent
Less than 6 years	32	32%
6 and less than 10 years	31	31%
10 and less than 15 years	9	9%
Total	100	100%

Source: Prepared by the researcher using SPSS19

The table (6) above shows the distribution of the study sample according to the years of experience; (32%) of the study sample individuals their experience less than 6 years, (31%) of them their experience 6 and less than 10 years and (9%) their experience 10 and less than 15 years; therefore most of the study sample individuals their experience less than 6 years.

5. Study sample distribution according to age

Table (7): Job distribution of the study sample

	Frequency	Percent
Accountant	76	48.7%
Internal Auditor	34	21.8%
External Auditor	10	6.4%
Financial Manager	24	15.4%
Other	12	7.7%
Total	156	100%

Source: Prepared by the researcher using SPSS19

The table (7) above shows the job distribution of the study sample; there were (48.7%) of the study sample individuals accountants, (21.8%) of them were internal auditors, (6.4%) of them were external auditors, (15.4%) were financial managers and (7.7%) of them have other jobs; therefore most of the study sample individuals were accountants.

Second: Analysis of the Main Data

Hypothesis One: There is a statistically significant relationship between the commitment to applying the principles of governance and enhancing the social responsibility and sustainable performance of small enterprises after Corona pandemic

Table (8): Mean, standard deviation and t-test for the hypothesis one

No	Statement	Mean	SD	T-Test	P-Value
1	Improving the relation between small enterprises with community.	4.40	.491	111.87	.000
2	Small enterprises do not harm environment and community.	4.17	.610	85.321	.000
3	Generate profits for stakeholders (shareholder lenders).	4.27	.549	97.153	.000
4	Increase trust in financial statements and reports and raise performance.	4.10	.888	57.672	.000
5	Contribute to managing and organizing relation between enterprise and shareholders and sustainable performance quality.	4.00	.880	56.780	.000
6	Increase per capita national income.	3.64	1.041	43.695	.000
7	Contribute to attracting investment and reducing risk.	3.73	1.132	41.156	.000
8	Reduce local and international loans rice.	3.78	1.024	46.122	.000
9	Better exploitation and sustainable performance improvement.	3.64	1.113	40.871	.000
10	Increase respect for law and resource use efficiency.	3.79	.900	52.688	.000

11	Clearness and transparency of transaction and corruption combat.	4.27	.675	78.957	.000
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Source: Prepared by the researcher using SPSS 19

Table (8) above shows the mean, standard deviation and t-test for the statements of the hypothesis: There is a statistically significant relationship between the commitment to applying the principles of governance and enhancing the social responsibility and sustainable performance of small enterprises after Corona pandemic.

The mean for all the statements is greater than (3). This means that most of the answers were in the positive direction; the respondents' answers agreed with the statements of the hypothesis aspect as the difference between the highest and lowest standard deviation (0.802-.602) was less than one which confirms the consistence of the data. The P-Value was less than 0.05 this means that the statements of the hypothesis were accepted.

Hypothesis two: There is a statistically significant relationship between the commitment to applying the principles of governance and business ethics in small enterprises after Corona pandemic.

Table (9): Mean, standard deviation and t-test for the hypothesis two

No	Statement	Mean	SD	T-Test	P-Value
1	It is considered guidelines for managers in decision making.	3.77	.963	48.895	.000
2	It contributes to selecting ethical available alternative and satisfies all stakeholders.	3.71	1.091	42.424	.000
3	It achieves justice, equality, fair competition and community's expectations.	3.65	1.076	42.431	.000
4	It increases performing social responsibility and right behavior.	4.17	.743	70.002	.000
5	Investing energy and gaining client's and customer's trust in product.	3.90	.931	52.285	.000
6	Enhancing organization's reputation locally and internationally.	3.86	.890	54.129	.000
7	Improving trust between individuals and groups in the organization.	3.62	1.044	43.255	.000
8	Supporting the process of adherence to standards of products quality.	3.69	1.007	45.789	.000
9	Evaluating organization and its mission in community.	3.59	1.083	41.406	.000

Source: Prepared by the researcher using SPSS 19

Table (9) above shows the mean, standard deviation and t-test for the statements of the hypothesis: There is a statistically significant relationship between the commitment to applying the principles of

governance and business ethics in small enterprises after Corona pandemic.

The mean for all the statements is greater than (3). This means that most of the answers were in the positive direction; the respondents' answers agreed with the statements of the hypothesis aspect as the difference between the highest and lowest standard deviation (0.743-1.083) was less than one which confirms the consistence of the data. The P-Value was less than 0.05 this means that the statements of the hypothesis were accepted.

Findings

The researchers came up with the following findings:

1. There is a statistically significant relationship between the commitment to applying the principles of corporate governance and business ethics in small enterprises after Corona Pandemic.
2. There is a statistically significant relationship between the commitment to applying the principles of corporate governance and enhancing social responsibility and sustainable performance in small enterprises after Corona Pandemic.
3. Governance contributes to managing and organizing the relationship between the enterprise and the shareholders, the quality of sustainable performance and selecting the available ethical alternative that satisfies all of the stakeholders.

Recommendations

Based on the findings, the researchers recommend the following:

1. Governance should be adopted because it increases performing social responsibility, right behavior, investing energy and gaining client's and customer's trust in product.
2. Governance should be adopted because it achieves justice, equality and fair competition in community.

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