2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

The Impact of Strategic Management on Stakeholder Loyalty: The Modified Role of Social Responsibility in the Food Processing Sector An applied study inside the Green Line in Palestine

Lubna Diab Hamad Felweh

PhD Researcher at the Arab American University

ARTICLE INFO

ABSTRACT

Received:17 Dec 2024 Revised: 16 Feb 2025 Accepted:24 Feb 2025

This study aimed to analyze the impact of strategic management on the loyalty of stakeholders in food processing companies within the Green Line in Palestine, with a focus on the modified role of social responsibility. The study used a descriptive analytical approach, where data was collected from a sample of 127 participants working in the sector, and analyzed using multiple regression and analysis of variance (ANOVA). The results showed that food processing companies adopt strategic management practices at a significant level, focusing specifically on strategy implementation and analysis of the internal and external environment. The results also showed that stakeholder loyalty is high, especially among employers and employees, while customer and supplier loyalty is influenced by competitiveness and quality. The study confirmed the existence of a statistically significant positive relationship between strategic management and responsibility, where social responsibility plays a pivotal role in enhancing institutional loyalty. Accordingly, the study recommends developing strategies that are more adapted to market changes, promoting social responsibility, and improving the work environment to ensure corporate sustainability and increase stakeholder loyalty..

Keywords: Strategic Management, Social Responsibility, Stakeholder Loyalty, Food Processing, Green Line

BACKGROUND

The speed and depth of global variables within which organizations of all kinds operate in the last two decades required the existence of an administrative process that works to guide these organizations and determine the right direction in which they must go, as the traditional systems and methods of planning, which depend on forecasting and experience according to historical events, are no longer valid, due to the fact that they are unable to face future challenges and adapt to successive high variables, and the decrease in the relative importance of internal standards that organizations set for themselves if Compared to the external ones that were identified and imposed by the best organizations, the presence of a map and compass to determine goals and directions was required to determine the goals and directions, a role that strategic management came to play (Thabet, 2021).

With rapid economic and technological changes, strategic management has become a critical element in the success of organizations and enhancing their competitiveness. They are the framework that sets corporate directions and priorities in a complex and uncertain environment (David et al., 2020). The importance of strategic management lies in ensuring that organizational objectives are achieved

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

through long-term planning, policy formulation, and decision-making that contribute to enhancing institutional performance and achieving sustainable competitive advantage (Hill et al., 2021).

Stakeholder loyalty is a key factor affecting the success and sustainability of companies, reflecting the level of commitment and trust shown by various stakeholders, such as customers, employees, suppliers, and investors, towards the organization (Freeman et al., 2020). Strong loyalty contributes to multiple benefits, including increased customer satisfaction, improved financial performance, and enhanced market reputation (Jones et al., 2022).

In the food processing sector, interest in stakeholder loyalty is increasing due to the competitive nature of the industry and the importance of quality and sustainability standards. Studies have shown that companies that implement effective strategic management practices are able to enhance customer and business partner loyalty, which reflects positively on their market performance (Malekpour et al., 2024).

Along with strategic management, corporate social responsibility (CSR) has become a key factor in shaping stakeholder perceptions and enhancing their level of loyalty. Companies that adopt environmentally and socially responsible practices not only improve their public image, but also contribute to building long-term relationships with their customers, suppliers and employees, thereby enhancing corporate trust and loyalty (Kähkönen & Lintukangas, 2022).

Accordingly, this study aims to analyze the impact of strategic management on stakeholder loyalty in the food processing sector, while examining the modified role of social responsibility. By exploring how these factors interact together to form a more sustainable and competitive business environment, providing practical recommendations for companies wishing to enhance stakeholder loyalty through more inclusive and sustainable strategies..

STUDY PROBLEM

With rapid economic transformations and changes in consumption patterns, stakeholder loyalty has become a critical factor in corporate sustainability and competitiveness in global markets (Freeman et al., 2020). With the complexity of the regulatory environment and increased competition, achieving loyalty is no longer limited to delivering quality products or achieving high financial returns, but relies on integrated strategies that include effective management, enhanced trust, and the adoption of socially responsible practices (Jones et al., 2022).

The food processing sector is one of the most affected by changing market factors, with consumer trends, quality standards, and environmental and health considerations significantly influencing purchasing decisions and consumer loyalty (Malekpour et al., 2024). According to the Kähkönen & Lintukangas study (2022), food companies that adopt effective strategic management and integrate sustainability and social responsibility standards achieve higher levels of loyalty by their customers and suppliers, which reflects positively on their competitiveness in the market..

In the Palestinian context, especially within the Green Line, food processing companies face additional challenges resulting from economic constraints, political volatility, and difficult access to resources and markets. Studies show that companies that implement effective management strategies and integrate social responsibility into their policies achieve higher levels of stakeholder trust and commitment (Bowden-Everson et al., 2013). However, there is still a research gap on how strategic management affects loyalty in this particular context, and whether social responsibility modifies this relationship..

Although there is multiple research on the relationship between strategic management and stakeholder loyalty in different industrial and commercial contexts, studies exploring this relationship in the Palestinian food processing sector within the Green Line are still limited. Some studies have shown that

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

customer and supplier loyalty in this region is influenced by several factors, such as quality, price, corporate ethical practices, and their compatibility with the socio-economic values of the local population (Kähkönen & Lintukangas, 2022). However, the direct impact of strategic management on loyalty, nor the modified role that social responsibility may play in this context has not yet been studied.

STUDY QUESTIONS

- To what extent do food processing companies within the Green Line adopt strategic management practices?
- How loyal are stakeholders to food processing companies within the Green Line?
- To what extent is social responsibility applied in food processing companies within the Green Line?
- Is there an impact between strategic management and stakeholder loyalty in food processing companies within the Green Line?
- Is there an impact between strategic management and social responsibility in food processing companies within the Green Line?
- Is there an impact between stakeholder loyalty and social responsibility in food processing companies within the Green Line?

RESEARCH OBJECTIVES

- Analysis of the extent to which food processing companies within the Green Line adopt strategic management practices.
- Measuring the level of stakeholder loyalty to food processing companies within the Green Line.
- Evaluating the extent to which social responsibility is applied in food processing companies within the Green Line.
- Study the relationship between strategic management and stakeholder loyalty in food processing companies within the Green Line.
- Explore the relationship between strategic management and social responsibility in food processing companies within the Green Line.
- Analysis of the relationship between stakeholder loyalty and social responsibility in food processing companies within the Green Line.
- Provide recommendations to companies on how to improve strategic management and social responsibility practices to enhance stakeholder loyalty and achieve sustainable competitive advantage.

IMPORTANCE OF RESEARCH

Scientific importance: This research contributes to enriching the literature on the relationship between strategic management, stakeholder loyalty, and social responsibility, by providing an analytical framework that illustrates how these factors affect the food processing sector within the Green Line. It also fills a research gap related to studying the impact of strategic planning and social responsibility as influential variables on stakeholder loyalty in the Palestinian business environment..

Practical Relevance: The research provides practical insights to decision makers and corporate managers on best practices in strategic management and social responsibility to enhance stakeholder loyalty and achieve competitive advantage. It also helps companies working in food processing understand how to improve their management and social strategies to achieve greater sustainability, increase consumer and supplier confidence, and strengthen their relationship with local and international markets.

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

THEORETICAL FRAMEWORK AND PREVIOUS STUDIES

Many recent trends have emerged in the field of management, which seeks to predict future challenges surrounding the internal and external environment of the institution, in order to avoid threats and challenges that prevent it from achieving its goals, so the need for a type of management has emerged that cares about these aspects and brings the institution to safety that enables it to reach its goal and achieve its goals.

A study (William, 2013) confirmed that strategic management is the most important challenge, as it is the element of organizational change to build total quality organizations that meet the needs of the future organization, ensuring the success and progress of the organization, which is difficult to predict in normal circumstances.

It aims to improve the work of institutions and organizations, as it is a system based on interaction and change, and is concerned with creativity, innovation, exploiting the energies of employees, keeping abreast of developments in the field of management, responding positively to changes and working to exploit opportunities to reach and evaluate results (Al-Shamla, 2016).

Strategic management is the administrative process through which all available resources in the institution are managed in a way that ensures the achievement of all goals and objectives, and this is done according to a set of steps that contribute to setting these goals, to then analyze the competitive environment surrounding the institution and analyze its internal system and then create a system in order to evaluate strategies with emphasis stresses the importance of identifying the available opportunities and all the threats that the organization may face, which may be within it or caused by competing parties (Salah, 2018).

Strategic management has also been defined as the set of processes that contain many basic activities that are characterized by overlap, represented in environmental analysis (strategic analysis), strategy formulation, strategy implementation, and strategy evaluation. (Al-Ariqi, 2011)

Strategic management is defined as the art and science of forming, implementing and evaluating corresponding career decisions in a way that enables the organization to achieve its own goals. (Khafaji, 2010)

THE IMPORTANCE OF STRATEGIC MANAGEMENT:

Strategic management gives a broader perspective to the organization's employees and they can better understand how their job fits into the entire organizational plan and how it relates jointly with other members of the organization. It is nothing but the art of managing employees in such a way as to increase the ability to achieve business goals. Employees become more trustworthy, more committed, and more satisfied as they can relate themselves well to each organizational task. They can understand the reaction of environmental changes to the organization and the possible response of the organization with the help of strategic management. Employees can thus judge the impact of these changes on their jobs and can effectively cope with the changes. Managers and employees must do the right things in the right way. It must be effective (Al-Husseini, 2014, p. 32)

Business organizations face many threats and risks, and the importance of strategic management is evident in its ability to respond to these challenges by being able to make changes and adjustments to their plans and strategies and search for strategies that are more realistic and able to express the needs of the organization.

The researcher believes that the importance of strategic management lies in the acquisition of the continuous strategic competitiveness of the organization. It is possible to develop and implement such

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

strategies that create value for the company. By assessing opportunities and threats, taking into account the strengths and weaknesses of the organization and developing strategies for survival, growth and expansion.

STRATEGIC MANAGEMENT OBJECTIVES:

Strategic management goals are goals that are directly related to the organization's mission and these goals are formulated by senior management and these goals are usually related to the position that the organization aspires to reach in the sector in which it is competent, which means that the main goal is to achieve the organization's strategic goals, although there are many sub-goals such asthe loyalty of employers and employees However, these goals serve as bridges through which the organization seeks to achieve its primary goal, and thus the strategic objectives can be considered as an expression of the future vision of the organization (Al-Awawdeh, 2018).

Many of the objectives that strategic management seeks to achieve can be observed through the many tasks it performs in organizations, and the most prominent objectives of strategic management are as stated in the study of each of (Awad, 2003; Tabidi, 2010;) as follows:

Preparing the organization from the inside by making many amendments to the organizational structure, procedures, rules and regulations of the organization.

Make adjustments to the workforce in a way that increases the organization's ability to deal with the external environment more efficiently and effectively.

Take important decisions that will affect the increase of the organization's market share and strengthen its competitive position among organizations.

Increase user satisfaction and maximize stakeholder profits.

Setting priorities while setting long-term (annual) goals, as well as conducting resource allocations by importance.

Finding the objective measure by which the efficiency of the administration is judged, and knowing the extent of its success in reaching the set goals.

Paying attention to the market and the external environment in order to invest opportunities and gains and confront threats and risks that would threaten the existence of the organization.

Collect data on strengths and weaknesses, analyze this data and benefit from the results reached by discovering problems before they occur, in order to take the initiative instead of decisions being reactions to competitors' decisions and strategies.

The researcher believes that strategic management should aim to create a high degree of congruence between the main elements that cannot be worked in the presence of a contradiction between them, such as: the goals and objectives of the organization - the mission of the organization and the surrounding environment), and that strategic management describes the ways in which the organization achieves its goals, taking into account the threats, opportunities, resources and current capabilities.

THE CONCEPT OF SOCIAL RESPONSIBILITY

Corporate social responsibility includes companies' commitment to sustainable ethical behaviors, active participation in community development, improving the quality of life for employees and their families, and enhancing the quality of life for society in general. In other words, CSR is manifested in the

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

voluntary integration of the principles of concern for social and environmental issues into their business activities and interactions with all stakeholders (Hadi etal., 2022)..

When accepting responsibility, a person's attitude towards the actions they perform is also part of their answer, and this answer may be questionable. Responsible action requires an answer based on the intentions and motives of actions and activities. For companies, their responsibility is divided into four responsibilities:

Economy	Ethical
Legal	Social.

The debate on the term began in the fifties with the book published by Bowen in 1953, which is the first final pure work on the issue. Bowen (1953) defined it as the commitment of business agents to take certain actions, make that decision or take these hoped-for business principles from the perspective of the goals and values of society (Mohammed etal., 2016)..

It is defined as "the ongoing commitment of the business to demonstrate ethical behavior and intervention in the development process and improve the quality of life of the workforce, their families, and society in general. Thus, CSR is a term by which companies voluntarily integrate social and environmental areas of concern into their business and stakeholder interactions (Hadi etal., 2022)..

This concept is also reflected as a mechanism for the company to voluntarily integrate interest in the social environment into its processes and interactions, which goes beyond social responsibility in the legal field. Mayliza, 2021).

It can be argued, then, that corporate social responsibility is a form of voluntary compliance with social obligations, it actually goes beyond the interests of the company and legal requirements. While CSR is voluntary, it has become more prevalent over the years (Rokhayatietal., 2019). It is used as a mechanism to motivate stakeholders and manage societal perceptions about the role of corporations in societies, a strategy that goes beyond its primary function of producing and selling goods to consumers.

Corporate social responsibility, then, is a strategic measure that can serve as an effective legal shield as a license to operate for companies. This responsibility reflects how companies leverage their resources to take responsibility for the long-term improvement of society and the environment, which goes beyond just economic and legal strategies (Kieu et al., 2022, (

SOCIAL RESPONSIBILITY THEORIES

The category of corporate social responsibility has been a sensitive and attention-grabbing issue in recent years, and the desire to invest in enterprises that practice and report on this responsibility is increasing, and in the field of financial statements, especially in management accounting, it has gained prominent importance. Therefore, it is important to highlight the most important theories explaining these concepts, which are as follows:

STAKEHOLDER THEORY

This theory starts from the fact that value is explicitly undeniable because it is part of business activities. Since the early seventies, the concept of corporate social responsibility has reflected a number of policies and practices related to stakeholders. Values of compliance with legal provisions, respect for society and the environment, as well as the commitment of the business world to be able to shape sustainable development (Mayliza, 2021).

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

This theory is a theory that a company is not only an entity that acts in its interests, but must also provide benefits to all those who are connected to it, benefit from its services, or influence its business. According to this theory, employees, consumers, suppliers and investors who control resources can influence the implementation of company decisions. Paying attention to stakeholder concerns and expectations may help them prevent stakeholders from undermining or frustrating their goals. CSR disclosure can be seen as management's response to shareholder information queries and regulatory needs (Huang et al., 2023). Increased disclosure may increase the amount of information available to stakeholders and allow those external to monitor and monitor the company's behavior, encouraging it to improve its governance and investment efficiency..

Its disclosure also enhances mutual trust between managers and agents by providing an increasing stream of information. With less short-term performance pressure, managers may pay more attention to the company's long-term interests, allocate more rational resources, and improve investment efficiency.

Companies that want to maximize shareholder profits and maintain their reputation in the future should think holistically to integrate various parties, not only shareholders but also external stakeholders. To gain their trust, management must engage actions that promote social and environmental values that are in line with its goals (Pambudi etal., 2020, 53)...

Although managers have a responsibility to maximize shareholder value in the near term, they are also required to produce long-term value by meeting the conditions of other stakeholders. As a result, organizations may need to build a control mechanism to control management actions so that they do not conflict with the company's and stakeholders' overall goal: welfare.

BEHAVIORAL AGENCY THEORY:

This theory states that managers' risk behavior is tied to a company's strategic choices, as managers will avoid losing their personal wealth. Agency behavioral theory also assumes that agents are self-serving individuals and risk preferences change as to how they frame their decision problems (Sucahyatietal., 2022, 284). Agents consider their subsequent compensation from continuous work as part of their last fortune. Thus, they generally prefer decision alternatives that help them avoid losing wealth available at the time even if it means accepting higher risks on their potential wealth.

Specifically, the context of family businesses can relate to this agency theory of conduct because this theory encourages entities to protect the perceived sociological and emotional wealth by not meeting the demands of minority stakeholders in this area so that these family entities can report less activity in this context. Strong family ownership also ultimately weakens disclosure of those activities, so family businesses with political connections may disclose fewer Responsibility activities of social entities.

THE IMPORTANCE OF SOCIAL RESPONSIBILITY

Through the responsibility of social entities, these entities of all sizes, interacting with stakeholders, can help achieve economic, social and environmental goals. This responsibility has therefore become an increasingly important concept, both globally and locally. Moreover, this corporate responsibility is part of the debate on globalization, competitiveness and sustainability. Many entities in the region are involved in related activities, and this has led to enhanced consumer trust, community improvement, employee recruitment and retention and financial performance (Kouaib and Amara, 2022, 2).

Excellent performance of social responsibilities can also make it easier for entities to access essential strategic development resources, boosting consumer confidence in this entity, and at the same time attracting a lot of attention to investors. Fulfilling that responsibility is inevitable in the form of

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

charitable donations but also environmental protection, job solving and other aspects (Dhar etal., 2020, 2). It leaves companies with a number of positive benefits

2.1.6Dimensions of social responsibility

Through tracing studies and theoretical literature, it was concluded that the most important dimensions related to the disclosure of social responsibility, which were found to include::

society, which will be measured by its role in the development and development of the community to which it belongs

The environment, which will be measured according to the company's role in protecting the environment

Customers and will be expressed in the development of employees

Finally, the product, which is measured by the quality of service provided by the company. These dimensions are presented below:

2.1.6.1Personnel development

Employee pressures (human resources) take the form of increased public recognition of certain rights for those within their workplace, and non-discrimination in terms of recruitment, dismissal and promotion. It works to address problems related to working hours and conditions, fair wages, health care, redundancy and protection from unfair dismissal (Al-Awdat, 2015). It is therefore expected that employees will be happy and motivated to do their best when the organization is fair in its dealings with employees (Mohammed etal). 2016).

2.1.6.2Environmental protection

Maintaining a clean and safe environment is a great responsibility for organizations. According to global environmental policy, protection rather than environmental pollution is critical (Al-Odat, 2015). By studying serious environmental damage such as CFC-induced ozone depletion, global warming caused by pollution in the industrial atmosphere, acid rain, urban air pollution, toxic and nuclear waste, and extinction in natural resources (Brick, 2020).

2.1.6.3Community development

The company has to make conscious efforts to improve the community. Companies can achieve this by contributing or donating a percentage of revenue to community projects. This type of initiative can help bring individuals together (Saleh et al., 2018). Companies can also partner with non-profit organizations to help address a problem. Or the company collaborates with non-profit humanitarian organizations to provide services (Mentor, 2016).

Companies that value human rights have initiatives aimed at maintaining transparent communication between employees, customers and managers. These companies do their best to make sure that the right such as privacy and fairness is not violated. It is essential that the organization has good relations with its employees as well..

Through this social dimension, the extent of the company's social contribution and commitment to the needs of society are measured, in addition to showing the costs it incurs to generate income (Khalil and Saghir, 2022).

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

2.1.6.4Quality of service

Stakeholder theory addresses ethics and values in corporate governance and takes into account the multiplicity of target groups. From this point of view, because companies can create long-term value for those involved in their activities through sustainable practices, funders are more interested in sustainable companies (Siddique etal., 2023). Moreover, sustainable services enhance the financial, environmental and social performance of companies. This theory has the opportunity to measure the impact of corporate responsibility practices on the sustainability of service quality and corporate performance..

This dimension stipulates that the company discloses all its operations that are oriented towards its services provided to customers, enabling it to reach the customers' desires, and provide everything they need to achieve their level of satisfaction (Al-Odat, 2015). This dimension ensures the provision of the company's services with the best possible characteristics, improving their quality, in addition to the speed and credibility of providing these services, which finally works to gain customer satisfaction and loyalty.

Some of the practices associated with this context are the continuous monitoring of the services provided, the advertising and promotion of these services, in addition to paying attention to the activities of packaging, identification and service delivery, while providing the necessary guarantees for the use or consumption of the service (Onaiza and Ali, 2016)..

PREVIOUS STUDIES

Study (Saleh et al., 2018) The study aimed to determine the degree of disclosure of social responsibility and the impact of this disclosure on various aspects of performance, through the application to several joint stock companies in Kuwait, and four aspects were adopted to be announced regarding this matter: workers, environment, service, and society, and the study was completed by adopting the descriptive analytical approach, and the questionnaire was used to collect data from the study sample, which was analyzed and the hypotheses previously set were tested using the SPSS program..

The most important outputs were that social responsibility disclosure practices have many effects on the company and its shareholders, as they lead to making the mental image of the company and its reputation better, and improving its position in the market, which leads to increasing both its market share in the stock market, the share price and the market value of the company, which will appear in maximizing the wealth of shareholders, as well as that these practices and disclosure lead to reducing the phenomenon of asymmetry in information and increasing all From the efficiency of the market and the demand for the company's shares, which is organized after facilitating the provision of the necessary financing and reducing the cost of financing.

A study (Al-Athari, 2017) sought to measure the impact of the areas of social responsibility activities on the company's financial performance in the short term, while identifying the extent to which there is an impact of that responsibility on the company's strategic performance in the long term, and its dimensions were adopted as follows (employee development, environmental protection, public shareholdings, product quality) adopted the descriptive and analytical method, and the study sample was the Southern Cement General Company

It concluded that the activities related to employee development are the most influential activities on the company's financial and strategic performance, as well as the possibility of companies to disclose social responsibility in unified financial regulations that guarantee both economic and social activities, which provides financial statements that truly reflect the company's activities.

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

A study (Hazaima et al, 2017) This study aimed to estimate the impact of corporate social responsibility (CSR) on the financial performance of industrial companies in Jordan. The study was conducted using a quantitative approach, and its variables were adjusted on the basis of a single independent variable, which is CSR disclosures. The dependent variable is the average share prices of companies. The study sample was selected from the Omani industrial companies listed on the stock exchange, and their number reached 65 industrial companies. It has been used SPSS program in data analysis.

One of the main outputs of this study is the discovery of a negative correlation between CSR disclosures and the financial performance of industrial companies in Jordan.

A study (Mohammed et al, 2016) The study aimed to evaluate the impact of corporate social responsibility disclosure (CSRD) on the financial performance of manufacturing companies listed on the Nigeria Stock Exchange, where the impact of four dimensions of social responsibility (employees, environment, society, customers) on earnings per share (EPS) was studied.) of the companies sampled, and the sample size of the study was (10) manufacturing companies that were randomly drawn from seven (7) sub-sectors of the Nigerian manufacturing industry, while the secondary data of the study was collected from the financial statements of the sample companies and SPSS software was used in data analysis.

The study found in its results that there was a significant overall positive association between CSRD and EPS. Furthermore, the study revealed that all four dimensions of CSR (employee, environment, society and product) have a significant positive impact on EPS and this means that the higher the level of CSRD, the greater the EPS..

Ibrahim's study (2023) aimed to determine the level of application of strategic management in local planning institutions and agencies in Sharqia by determining the efficiency of planning institutions and devices, identifying difficulties in their application, and raising the efficiency of planning institutions and devices, and to achieve this, the social survey and questionnaire methodology were used to collect study data, and it was applied to (82) officials of the Executive Council in Sharkia Governorate.

One of the most important results was that: the level of application of strategic management in local planning institutions and agencies in Sharqia is high, the level of efficiency of local planning institutions and agencies in Sharqia is high, and the existence of a statistically significant positive relationship between the level of strategic management and raising the efficiency of local planning institutions and agencies in Sharqia.

Al-Harthy's study (2019) aimed to identify the degree of strategic leadership practice at Taif University and the degree of achieving competitive advantage at the university from the point of view of faculty members, and to reveal the relationship between strategic leadership and the degree of achieving competitive advantage, and to achieve this, the study used the descriptive approach, on a sample of (209) members of the university, and the questionnaire was used as a tool to collect study data.

One of the most important results was that the degree of academic leadership practice at Taif University for strategic leadership in its four dimensions was average. The study showed a strong positive relationship between the degree of strategic leadership practice and the degree of achieving competitive advantage at Taif University.

The Reed study (2019) aimed to reveal the leadership strategies used by IT leaders to improve employee engagement, and to achieve this the study used objective analysis using the five-

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

step Yens process to assemble, disassemble, reassemble and interpret final statements, on a sample of three leaders of IT companies in Illinois, in addition to reviewing and analyzing company documents.

Key findings were that compensation, benefits, performance management, and recognition were critical strategies used by IT leaders to improve employee engagement, including the implications of positive social change and the ability of IT leaders to promote local economic stability, reduce local unemployment, and increase community volunteerism through improved employee engagement.

Maziti (2019) study aimed to investigate the relationship between the determinants that affect small business performance in South Africa, and to achieve this, the study used the descriptive analytical approach, on a sample of (275) individuals from small business owners who represent their companies, and the study used the questionnaire as a tool to collect study data, and one of the most important results was: The existence of a strong correlation between strategic leadership, innovation performance and competitive advantage.

Kähkönen & Lintukangas (2022) aimed to explore how sustainability requirements affect supply strategies in food industry companies, by integrating individual supply decisions into an integrated supply strategy based on company values and principlesThe study relied on a qualitative research methodology, where data collected over ten years was analyzed, including 41 interviews with a retailer and five food supply companies..

The results showed that a decade ago, sustainability did not occupy a large place in supply decisions, but it has now become a major factor affecting supply strategies due to the increasing pressures of sustainability requirements. The study also developed an analytical framework that helps study changes in sustainability requirements and their impact on supply strategies at three levels: company level, category level, and supply market level..

Malekpour et al. (2024) aimed to identify the range of factors influencing innovative product development among market leaders and their subsidiaries in the food and beverage sector.

The study relied on a case study methodology, by collecting data from two main sources, semi-structured interviews with industry experts, in-depth interviews with managers, as well as a questionnaire derived from previous research to study the market impact and type of companies..

The results came with the study proposing an integrated theoretical framework that combines the factors associated with companies and market factors affecting innovation in food products, and the study also identified two main factors that significantly affect innovation in products, namely the intensity of competition in the market and the ability of companies to innovate, which depends on investment in research and development (R&D) and marketing capabilities, and the study also showed that the impact of these factors varies depending on the position of companies in the market, as innovation strategies differ between leading companies in the market and companies. Affiliated with it.

Bowden-Everson, Dagger & Elliott (2013) aimed to explore how to enhance customer loyalty in the restaurant industry by focusing on satisfaction, trust, and delight, as well as the role that service experience plays in modifying this relationship, the study relied on structural equation modeling (SEM) using a sample of 474 consumers in the restaurant sector, with the aim of examining the impact of relationship determinants on customer loyalty over time.

The results showed that satisfaction, trust and a sense of joy are key factors in enhancing customer loyalty in restaurants, but despite the importance of the service experience, the impact of relationship determinants on loyalty did not differ significantly based on the level of customer experience in the relationship with the restaurant, and the results also confirmed that just measuring satisfaction is not

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

enough to understand customer loyalty, as trust and a sense of joy must be taken into account as key factors in customer relationship management strategies..

COMMENTING ON PREVIOUS STUDIES

Previous studies reflect a clear overlap between strategic management, social responsibility, and stakeholder loyalty, with most emphasizing the importance of social responsibility disclosure in improving the mental image of companies and enhancing stakeholder loyalty, and Saleh et al. (2018) pointed to the role of disclosure in increasing the market value of companies. On the other hand, the study of Hazaima et al. (2017) revealed reported a negative correlation between social responsibility disclosure and financial performance, suggesting that its impact may be conditioned by other factors such as the business environment and economic context. Mohammed et al. (2016) also showed that all dimensions of social responsibility (employees, environment, society, customers) have a positive impact on financial performance, reinforcing the idea that social responsibility may be a strategic investment rather than an additional cost. On the strategic management front, studies such as Ibrahim (2023) and Al Harthy (2019) have confirmedOn the strong relationship between adopting strategic management, raising the efficiency of institutions and achieving competitive advantage. In the food sector, Kähkönen & Lintukangas (2022) showed the importance of sustainability as an influencing supply strategies, while Malekpour et al. (2024) focused on innovation factors as a key element in product development. These results highlight the importance of integrating strategic management with social responsibility to ensure stakeholder loyalty, reinforcing the importance of our study in understanding this relationship more deeply in the food processing sector within the Green Line in Palestine.

METHOD AND PROCEDURE

This section provides an explanation of the research methodology and how to implement it, including the logical and methodological steps that the researcher uses to solve the research problem. It also addresses how to obtain accurate and reliable results that correspond to the objectives of the research, by collecting and analyzing data correctly according to recognized methods in the field..

In addition, the chapter deals with the nature of the population in which the research is conducted, how to select the study sample, and explains the design of the tools used in the research and the process of testing their accuracy and the accuracy of the measurements used. Finally, the section explains the statistical methods used to analyze data and draw final conclusions.

STUDY METHODOLOGY

The researcher adopts a descriptive and analytical approach commensurate with the nature of the study and its objectives, as it focuses on studying the phenomenon accurately and representing it in detail and accuracy, then analyzing the phenomenon and understanding the links and relationships between its various elements. This approach aims to achieve results by developing topics and reliably enriching knowledge.

In addition, the researcher adopted the case study method, which aims to understand a specific phenomenon through an individual case study or a limited set of cases. In this study, administrators and employees of food sector establishments within the Green Line in Palestine, to understand the details, processes, challenges and benefits.

The use of the descriptive analytical approach and the case study method helps the researcher to achieve the set research objectives and provide high-quality detailed information, which contributes to the richness of knowledge and a better understanding of the topic under study.

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

STUDY POPULATION AND STUDY SAMPLE:

The research targets a specific study community, which is a comprehensive group of administrators and employees of food sector establishments within the Green Line in Palestine. This community includes employees in various positions and at different job levels, including managers, administrative staff, relationship and account staff, customer service and other disciplines..

An experimental sample was selected that included the distribution of 30 questionnaires randomly, with the aim of testing the study tool and testing its validity and effectiveness before applying it to the original target sample..

The experimental sample will be used to evaluate the performance of the study instrument and ensure its reliability and validity before being applied to the actual sample. The results from the experimental sample will be used to identify any modifications or improvements needed by the tool before applying it to the original sample.

The original sample consisted of 130 employees representing the comprehensive study group, where 127 questionnaires valid for analysis were collected, representing 98% of the total questionnaires distributed and collected..

Table (1) shows the demographic distribution of the study sample

Professional characteristics	Category	Repetition (Frequency)	Percentage (Percent)
Sex	male	83	65.4
	female	44	34.6
	Total	127	100.0
Qualification	diploma	36	28.3
	Bachelor	61	48.0
	Graduate	30	23.6
	Total	127	100.0
Years of Experience	Less than 5 years	32	25.2
	(6-10) Years	23	18.1
	(11-15) Years	36	28.3
	Over 16 years	36	28.3
	Total	127	100.0
Job Position	Department Manager	47	37.0
	Assistant Department Manager	29	22.8

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

Division Manager	40	31.5
Unit Manager	7	5.5
Other	4	3.1
Total	127	100.0

Table (1) shows the demographic distribution of the study sample, where it is noted that the percentage of males (65.4%) is higher than females (34.6%), which may reflect the nature of the labor market in the target sector. The majority of respondents also hold a bachelor's degree (48%), indicating a medium to high level of education in the sample, with a balanced distribution of years of experience and job position, which enhances the diversity of experiences and positions within the research sample..

STUDY TOOL:

A questionnaire was prepared to explore the impact of strategic management on stakeholder loyalty through the modified role of social responsibility in the food processing sector, consisting of two sections:

Section I: Personal Data: This section includes basic personal information such as gender, educational qualification, job title, and years of service.

Section II: It consists of the following axes::

The first axis is strategic management in its dimensions (defining the company's mission and vision - setting strategic objectives - analyzing the external and internal environment - analyzing strategic alternatives - implementing the strategy - evaluating the strategy) and consists of 30 phrases

The second axis: the loyalty of stakeholders, which includes (loyalty of customers and suppliers - loyalty of employers and workers) and consists of 16 phrases

Thethird axis: social responsibility includes dimensions (economic dimension - moral dimension - social dimension) and consists of 15 phrases

THE SCALE USED IN THE STUDY (MEASURE):

The Likert five-point scale was used in this study to collect the opinions of the sample members, as this scale includes a set of phrases that express different trends and opinions, and the participants evaluated the extent to which they agree with each phrase using a set of interaction levels, where they can choose one of the five available degrees to express their agreement, and these degrees are as follows: Strongly Agree (5 marks), "Agree" (4) scores, "Neutral" (3) marks, "Disagree" (2) points, "Strongly Disagree" (1) score, This scale was used to allow participants to provide accurate and detailed assessments of the statements and concepts presented in the study.

THE TEST ADOPTED IN THE STUDY:

The researcher used the (Likert quintuple scale) to determine the level of approval of the paragraphs of the questionnaire as follows:

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

Table (2): Study Test

Arithmetic mean	Relative weight	Degree of approval
From 1- 1.80	From 36-20%	very weak
Greater than 1.80 -2.60	Greater than 36%-52%	Weak
Greater than 2.60 - 3.40	Greater than 52%-68%	Medium
Greater than 3.40 - 4.20	Greater than 68%-84%	Large
Greater than 4.20-5	Greater than 84%-100%	Very large

The researcher relied on the Likert scale as in the previous table to determine the arithmetic average for each paragraph and for all the axes of the questionnaire, in order to analyze the results of the study and evaluate the degree of response of administrators and employees of food sector establishments inside the Green Line in Palestine.

BELIEVE THE STUDY TOOL:

The accuracy of the questionnaire aims to achieve standards of accuracy and reliability in measuring the targeted phenomena and variables. Therefore, the researcher distributed an exploratory sample consisting of (30) questionnaires to test the internal consistency, structural honesty and stability of the questionnaire, in order to ensure the ability of the questions to measure the concepts to be studied in an accurate and reliable manner, and to achieve the validity of the questionnaire, the researcher used two methods:

1. Arbitrators' honesty (apparent honesty):

After presenting the questionnaire to a group of arbitrators specialized in the fields of administrative banking finance, and faculty members in Iraqi universities, who provided their comments and observations about the content and structure of the questionnaire, the researcher responded to these comments and worked to modify the questionnaire according to the proposals submitted, with the aim of improving the quality and honesty of the questions and ensuring their suitability to the research context and the target group.

Based on these modifications and improvements, the questionnaire was developed and finalized presented in Appendix (1), which was used to collect data from the actual sample in the study, and this procedure is an important part of ensuring the quality of the study tool and its suitability for the intended purpose and enhances the reliability and reliability of the results that will be obtained during the final analysis of the data.

B- Tool Stability Test:

Raises the stability of the resolution refers to the ability of the questionnaire to provide the same results or read them in the same way when redistributed to a similar group of individuals more than once, under the same conditions and conditions, if the results are consistent and consistent when reapplying the questionnaire to different groups of individuals. This indicates the sincerity of the questionnaire and its ability to reliably measure the intended concept, and the achievement of the stability of the questionnaire is an indicator of the quality of the design and the formulation of questions in the questionnaire and testing them well, and therefore the researcher has verified the stability of the questionnaire by.

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

Cronbach's Alpha Coefficient, the results were as follows:

Table No. (3) Cronbach alpha internal consistency coefficient for resolution

Axis	Number of paragraphs	Internal consistency
Define the company's mission and vision	5	.648
Setting strategic objectives	5	.717
Analysis of the external and internal environment	5	·7 5 4
Analysis of strategic alternatives	5	.786
Strategy Implementation	5	·7 3 7
Strategy Evaluation	5	·7 53
Customer & Supplier Loyalty	8	.851
Loyalty of employers and workers	8	.812
Economic dimension	5	.644
Moral dimension	6	.698
Social Dimension	8	.852
Total	65	.967

It is clear from the results shown in Table (1) that the value of Cronbach alpha coefficient ranged between (.644-.852), which are measures ranging from acceptable to excellent, while the value of Cronbach alpha for the resolution as a whole was (.967), which is a high and excellent ratio, and this indicates high reliability. Thus, the questionnaire is ready for distribution in its final form, as compliance with the criteria of honesty and reliability enhances the strength of the resolution and makes it reliable in analyzing data, answering study questions and testing hypotheses.

The results of the study:

The results extracted from the responses of the study sample members were presented according to the specified dimensions Strategic Management Does NotAffect Stakeholder Loyalty: The Modified Role of Social Responsibility in the Food Processing Sector within the Green Line in Palestine

The first question is to what extent do food processing companies within the Green Line adopt strategic management practices?

The arithmetic averages and standard deviations of the responses of the study sample members on the adoption of food processing companies within the green line of strategic management practices were

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

extracted and compared with the levels specified for the interpretation of the results. Table (4) presents the results related to the level of strategic management practice on each dimension of the study.

Table 4: Arithmetic Averages and Standard Deviations on the Adoption of Strategic Management Practices by Food Processing Companies within the Green Line

Dimension	Arithmetic mean	Standard deviation	Total
Define the company's mission and vision	3.94	.501	larg
Setting strategic objectives	3.88	.627	larg
Analysis of the external and internal environment	3.95	.600	larg
Analysis of strategic alternatives	3.87	.644	larg
Strategy Implementation	3.97	.567	larg
Strategy Evaluation	3.85	.632	larg
Strategic Management College Degree	3.91	.474	larg

The results indicate that food processing companies within the Green Line adopt strategic management practices at a significant level, with a general arithmetic average of (3.91), which reflects a clear commitment to these practices. Demonstrated the highest values in the implementation of the strategy and analysis of the external and internal environment, indicating that these companies do not only develop plans but are clearly focused on their effective implementation and rapid response to changes in the market. These findings are consistent with Ibrahim (2023) which confirmed that effective strategic management leads to raising the efficiency of organizations, as well as with Al-Harthy's (2019) study which found that strategic leadership contributes to achieving competitive advantage. The focus on the analysis of strategic alternatives is also in line with what Malekpour et al. (2024) showed on the importance of research and development in enhancing the competitiveness of food companies. These high levels of strategic management adoption can be explained by several factors, most notably the highly competitive environment that makes defining the strategic vision and objectives necessary to ensure survival in the market, in addition to the rapid changes in quality and food safety standards that require companies to closely monitor the internal and external environment. Moreover, the high interest in implementing the strategy reflects the awareness of these companies of the importance of achieving goals on the ground, not just developing plans that are not implementable. These results are consistent with several studies that have confirmed that the adoption of strategic management practices contributes to enhancing corporate sustainability and achieving high levels of performance, which enhances the position of these companies in the market.

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

Second question: How loyal are stakeholders to food processing companies within the Green Line?

The arithmetic averages and standard deviations of the responses of the study sample members were extracted the extent of stakeholder loyalty to food processing companies within the green line, and compared with the levels specified to interpret the results. Table (5) presents the results related to the level of loyalty of the owners of the facility on each dimension of the study.

Table 5: Arithmetic averages and standard deviations related to stakeholder loyalty to food processing companies within the Green Line

Dimension	Arithmetic mean	Standard deviation	Total
Customer & Supplier Loyalty	3.83	.605	larg
Loyalty of employers and workers	3.93	.561	larg
Total Degree Stakeholder Loyalty	3.88	.532	larg

The results in Table (5) indicate that stakeholder loyalty to food processing companies within the Green Line comes at a significant level, with a general arithmetic average of (3.88), which reflects a high level of trust and commitment towards these companies. It is noted that the loyalty of employers and employees was slightly higher (3.93) compared to the loyalty of customers and suppliers (3.83), which may indicate that these companies were able to build strong and sustainable relationships with their employees, which reflects positively on the stability of the work environment and the level of internal satisfaction..

These results can be explained by several factors, most notably that companies operating in the food processing sector rely heavily on effective management strategies and investment in human capital to enhance the loyalty of their employees, which is supported by the study of Al-Harthy (2019) which found a positive relationship between strategic leadership and achieving competitive advantage. On the other hand, customer and supplier loyalty was at a high level but relatively lower, which may be related to factors such as high market competitiveness, product quality, and pricing methods, as demonstrated by a Bowden-Everson et al. (2013) study that confirmed that building loyalty requires more than just achieving satisfaction, but rather fostering trust and a sense of excellence in the relationship with customers and suppliers..

These findings are consistent with the findings of Saleh et al. (2018), which confirmed that CSR disclosure enhances the image of companies in the market, contributing to increased stakeholder loyalty, and is supported by Mohammed et al. (2016) on a positive correlation between commitment to social responsibility and achieving organizational loyalty. Overall, these results reflect the ability of food processing companies within the Green Line to build strong and sustainable relationships with stakeholders, with a focus on the internal work environment as a key factor for enhancing corporate loyalty..

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

The third question is to what extent is social responsibility applied in food processing companies within the Green Line?

The arithmetic averages and standard deviations of the responses of the study sample members were extracted the extent of the application of social responsibility in food processing companies within the green line, and compared with the levels specified to interpret the results. Table (6) presents the results related to the level of loyalty of the owners of the facility on each dimension of the study.

Table 6: Arithmetic averages and standard deviations related to the extent of application of social responsibility in food processing companies within the Green Line

Dimension	Arithmetic mean	Standard deviation	Total
Economic dimension	3.89	.529	larg
Moral dimension	3.88	.520	larg
Social Dimension	3.98	.584	larg
Overall Social Responsibility Degree	3.91	.515	larg

The results in Table (6) indicate that food processing companies within the Green Line apply social responsibility at a significant level, with a general arithmetic average of (3.91), which reflects the commitment of these companies to apply economic, ethical, and social standards of social responsibility. It is noted that the social dimension received the highest arithmetic average (3.98), indicating that these companies pay special attention to social responsibility towards the local community, whether by supporting community initiatives, improving working conditions, or contributing to sustainable development.

As for the economic dimension (3.89) and the ethical dimension (3.88), this reflects that companies do not only focus on profitability but also take into account business ethics, integrity, and transparency in dealing with customers and suppliers. This is in line with the findings of Saleh et al. (2018), which confirmed that social responsibility disclosure enhances companies' reputation and positively affects their position in the market, leading to improved customer and supplier loyalty. The results also support the study of Mohammed et al. (2016), which found that the application of social responsibility in its economic and social dimensions leads to positive financial performance and an increase in the value of shares..

On the other hand, these findings reinforce the findings of the Kähkönen & Lintukangas study (2022), which indicated that sustainability has become a key element in food companies' strategies, which explains why companies within the Green Line are particularly interested in the social dimension. It is also in line with the Malekpour et al. (2024) study which emphasized the importance of social responsibility as a pivotal element in corporate success in the food and beverage sector, especially in light of the growing awareness of consumers about sustainability and ethical practices..

Overall, these results reflect a clear trend among food processing companies within the Green Line towards integrating social responsibility into their strategies, not only as a tool to improve their image in front of customers and investors, but also as a means to enhance their sustainability and increase stakeholder loyalty, which supports the idea that adopting social responsibility is no longer an

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

additional option, but has become a necessity to ensure success and continuity in a competitive business environment..

Fourth question: Is there an impact between strategic management and stakeholder loyalty in food processing companies within the Green Line?

To know the impact, multiple regression was used between the dimensions associated with strategic management and the dimensions associated with stakeholder loyalty, and Table (7) shows that

Table (7) ANOVA analysis between the dimensions associated with strategic management and the dimensions associated with the loyalty of owners

Variables	R	R Squared	Too	Eta Squared	F	Sig.
Customer and supplier loyalty * Define the company's mission and vision	0.538	0.289	0.620	0.384	5.923	0.000
Loyalty of employers and employees * Define the company's mission and vision	0.556	0.309	0.628	0.394	6.176	0.000
Customer and supplier loyalty * Setting strategic goals	0.662	0.438	0.719	0.517	8.568	0.000
Loyalty of employers and employees * Setting strategic objectives	0.608	0.370	0.649	0.421	5.819	0.000
Customer and supplier loyalty * Analysis of external and internal environment	0.627	0.393	0.685	0.469	7.075	0.000

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

Loyalty of employers and employees * Analysis of the external and internal environment	0.607	0.368	0.722	0.522	8.736	0.000
Customer and supplier loyalty * Strategic Alternatives Analysis	0.542	0.294	0.649	0.421	5.004	0.000
Loyalty of employers and employees * Analysis of strategic alternatives	0.901	0.811	0.935	0.874	47.667	0.000
Customer and supplier loyalty * Strategy implementation	0.617	0.381	0.653	0.427	7.068	0.000
Loyalty of employers and employees * Strategy Implementation	0.770	0.592	0.805	0.648	17.466	0.000
Customer and supplier loyalty * Strategy Evaluation		0.683	0.865	0.747	25.730	0.000
Loyalty of employers and employees * Strategy Evaluation	0.675	0.455	0.700	0.489	8.332	0.000

The results of the multiple regression analysis shown in Table (7) indicate a statistically significant relationship between strategic management and stakeholder loyalty in food processing companies within the green line, where all values of Sig. = 0.000, which means that the relationship between the variables is significant at a 99% confidence level. This is evidenced by the high values of R Square transactions, reaching a high of 0.811 in the relationship between strategic alternative analysis and

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

employer and employee loyalty, suggesting that this dimension of strategic management has a significant impact on employee and employer loyalty..

The results also showed that strategy implementation and evaluation have a significant impact on stakeholder loyalty, with R Squared reaching (0.683) and (0.592) respectively, which means that companies that successfully implement and evaluate their strategies on an ongoing basis achieve higher levels of loyalty among customers, suppliers and employees. These results are consistent with the findings of Ibrahim's (2023) study, which confirmed that the effective application of strategic management enhances the efficiency of organizations and contributes to achieving institutional loyalty. It is also in line with Al-Harthy's (2019) study which found that strategic leadership plays an important role in achieving competitive advantage and promoting positive interaction between the organization and stakeholders..

Moreover, the study showed that the analysis of the external and internal environment affects stakeholder loyalty, as the R Squared coefficient reached (0.393) for customers and suppliers and (0.368) for employers and employees, indicating that companies that monitor and analyze their internal and external environment accurately are better able to meet stakeholder expectations and enhance their loyalty, which was confirmed by the Kähkönen & Lintukangas study (2022) which found that sustainability and market analysis play a key role in achieving strategic success..

Based on these findings, it can be argued that strategic management plays a key role in enhancing stakeholder loyalty, as effective strategic practices, such as defining a mission and vision, setting strategic goals, analyzing the environment, and implementing strategies, enhance trust and commitment by customers, suppliers, and employees. These results also reflect the importance of linking planning, implementation and evaluation to ensure maximum organizational loyalty, enhancing the competitiveness and sustainability of companies in the market..

Fifth question: Is there an impact between strategic management and social responsibility in food processing companies inside the Green Line?

To find out the impact, multiple regression was used between the dimensions associated with strategic management and the dimensions related tosocial responsibility in food processing companies within the Green Line, and Table (8) shows that

Table(8) ANOVA's analysis of social responsibility dimensions with strategic management

Variables	R	R Squared	Too	Eta Squared	F	Sig.
Economic dimension * Defining the company's mission and vision	0.548	0.300	0.620	0.384	5.932	0.000
Ethical dimension * Defining the company's mission and vision	0.596	0.355	0.677	0.458	8.041	0.000

Journal of Information Systems Engineering and Management 2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

Social Dimension * Defining the company's mission and vision	0.524	0.275	0.587	0.344	4.989	0.000
Economic dimension * Setting strategic objectives	0.531	0.282	0.576	0.332	3.973	0.000
Ethical dimension * Setting strategic objectives	0.586	0.343	0.639	0.409	5.535	0.000
Social dimension * Setting strategic objectives	0.554	0.307	0.623	0.389	5.087	0.000
Economic dimension * Analysis of the external and internal environment	0.587	0.344	0.625	0.391	5.130	0.000
Ethical dimension * Analysis of the external and internal environment	0.600	0.360	0.652	0.425	5.914	0.000
Social dimension * Analysis of the external and internal environment	0.515	0.265	0.619	0.383	4.976	0.000
Economic dimension * Analysis of strategic alternatives	0.656	0.431	0.736	0.541	8.112	0.000
Ethical Dimension * Analysis of Strategic Alternatives	0.675	0.456	0.763	0.582	9.585	0.000
Social Dimension * Analysis of Strategic Alternatives	0.635	0.404	0.760	0.577	9.396	0.000
Economic dimension * Strategy Implementation	0.675	0.456	0.709	0.503	9.618	0.000
Ethical dimension * Strategy implementation	0.779	0.606	0.800	0.640	16.912	0.000
Social dimension * Strategy Implementation	0.816	0.666	0.831	0.690	21.161	0.000

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

Economic dimension *	0.742	0.551	0.800	0.640	15.486	0.000
Strategy Evaluation						
Ethical dimension * Strategy Evaluation	0.815	0.665	0.845	0.713	21.642	0.000
Social dimension * Strategy Evaluation	0.663	0.439	0.702	0.493	8.467	0.000

The results of the multiple regression analysis in Table (8) indicate a significant impact between strategic management and social responsibility in food processing companies within the Green Line, where all statistical values were Sig. = 0.000, which indicates that the relationship between the variables is statistically significant at a confidence level of 99%. This relationship is clearly demonstrated by the high R Squared values, reaching a high of 0.666 in the relationship between the social dimension and the implementation of the strategy, reflecting the strong impact of the social aspect of social responsibility on the success of the actual implementation of the strategies..

The data also shows that the analysis of strategic alternatives and the implementation and evaluation of the strategy had a strong impact on various dimensions of social responsibility, with R Squared values reaching (0.456 - 0.666), which indicates that companies that adopt effective analysis and implementation of their strategies are better able to adhere to the principles of social responsibility. These findings are consistent with the findings of Saleh et al. (2018), which emphasized that CSR enhances the image of companies in the market, and supports institutional performance by enhancing loyalty and commitment by stakeholders. The results also support the study of Mohammed et al. (2016), which found that the disclosure of social responsibility in its various dimensions leads to financial gains and an increase in the value of companies' shares..

In addition, the study showed that defining the company's mission and vision, and analyzing the external and internal environment are closely related to the dimensions of social responsibility, with R Squared values reaching (0.275 - 0.360), indicating that companies that set a clear vision and follow their environment strategically are better able to achieve their social, economic and ethical obligations. This is in line with Kähkönen & Lintukangas (2022) which confirmed that food companies are forced to integrate sustainability requirements into their strategies to ensure their continuity in competitive markets..

Based on these findings, it can be said that strategic management and social responsibility in food processing companies within the Green Line are closely interrelated, as sound strategic practices help improve commitment to social responsibility, while social responsibility contributes to enhancing the efficiency of strategy implementation and raising the level of community acceptance and institutional loyalty. This reflects the importance of adopting an integrated management approach that takes into account the economic, ethical and social dimensions to ensure the success of companies and achieve their long-term sustainability.

Question Six: Is there an impact between stakeholder loyalty and social responsibility in food processing companies within the Green Line?

To find out the impact, multiple regression was used between the dimensions associated with social responsibility with the dimensions associated with the loyalty of stakeholders in food processing companies within the Green Line and Table (9) shows that

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

Table(9) ANOVA's analysis of the dimensions of social responsibility and its relationship to loyalty

Variables	R	R Squared	Too	Eta Squared	F	Sig.
Customer and supplier loyalty * Economic dimension	0.817	0.667	0.836	0.700	22.132	0.000
Loyalty of employers and employees * Economic dimension	0.782	0.611	0.818	0.670	19.265	0.000
Customer and supplier loyalty * Ethical dimension	0.842	0.709	0.857	0.735	19.030	0.000
Loyalty of employers and employees * Ethical dimension	0.825	0.680	0.842	0.709	16.710	0.000
Customer and supplier loyalty * Social dimension	0.671	0.450	0.749	0.562	6.405	0.000
Loyalty of employers and employees * Social dimension	0.863	0.745	0.900	0.811	21.435	0.000

The results of the multiple regression analysis in Table (9) indicate a significant impact between stakeholder loyalty and social responsibility in food processing companies within the Green Line, where

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

all statistical values showed Sig. = 0.000, which indicates strong statistical significance of the relationship between variables at a confidence level of 99%. R Squared's high values confirm that the dimensions of social responsibility (economic, ethical, social) have a direct impact on the level of stakeholder loyalty, whether customers and suppliers or employers and employees..

The results showed that the social dimension of social responsibility has the greatest impact on the loyalty of employers and employees, with a value of R Squared = 0.745, which means that 74.5% of changes in the level of loyalty of employers and employees are explained by the extent to which the company adheres to its social responsibilities. This indicates that employees and employers attach great importance to the social practices followed by the company, such as supporting the community, providing a fair work environment, and paying attention to the rights of workers, which is consistent with the study of Saleh et al. (2018), which confirmed that the application of social responsibility enhances employee satisfaction and contributes to the stability of the work environment.

On the other hand, the ethical dimension of social responsibility recorded the highest impact on customer and supplier loyalty, with a value of R Squared = 0.709, indicating that transparency, integrity, and adherence to ethical standards in dealing with suppliers and customers significantly affect their level of loyalty. This finding supports the findings of Bowden-Everson et al. (2013) which found that building loyalty depends not only on the quality of products and services, but is also influenced by emotional and ethical factors, such as trust and commitment to shared values..

The economic dimension of CSR had a strong impact on customer and supplier loyalty (R Squared = 0.667) as well as on the loyalty of employers and employees (R Squared = 0.611), suggesting that achieving corporate financial sustainability and achieving economic gains that benefit all parties contributes to strengthening institutional loyalty. These findings are consistent with a study by Mohammed et al. (2016) which confirmed that companies that strike a balance between profitability and social responsibility achieve higher levels of loyalty between customers and employees..

Based on these findings, it can be said that social responsibility plays a crucial role in enhancing stakeholder loyalty, as adherence to social, ethical and economic standards enhances customer and supplier confidence and increases employee and employer satisfaction. These findings reflect the need for food processing companies within the Green Line to continue to invest in CSR practices as a strategic tool to ensure sustainability and strengthen their relationship with various stakeholders..

OVERALL RESULT

The results indicate that food processing companies within the Green Line adopt strategic management and social responsibility practices at a significant level, which reflects positively on the loyalty of stakeholders. The study showed that strategic management is applied effectively, with a clear focus on implementing strategies and analyzing the external and internal environment to ensure sustainability and competitiveness. Stakeholder loyalty was also found to be high, especially among employees and employers, reflecting companies' success in building a stable work environment, while customer and supplier loyalty was influenced by market and competition factors. The study also showed that social responsibility is applied at a significant level, with a noticeable focus on the social dimension, which enhances stakeholder confidence. Finally, the results confirmed that there is a positive correlation between strategic management, social responsibility and stakeholder loyalty, indicating the importance of integrating these factors in enhancing corporate sustainability and success..

RECOMMENDATIONS

 Food processing companies within the Green Line should develop strategies that are more adapted to market changes, focusing on periodically implementing and evaluating strategies to ensure that regulatory objectives are effectively met..

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

- 2. Companies must enhance customer and supplier loyalty by delivering added value, such as improving product quality, adopting flexible pricing strategies, and enhancing communication and transparency in business dealings..
- 3. It is recommended to continue to promote social responsibility, especially in its social and ethical dimensions, given its positive impact on stakeholder loyalty and enhancing corporate reputation in the market.
- 4. Companies should focus on improving the work environment by providing training programs, enhancing job motivation, and implementing management practices that support employee well-being, thereby contributing to their increased organizational loyalty..
- Companies must embed the principles of environmental and economic sustainability in their strategic plans, ensuring a balance between profitability and social responsibility to enhance competitiveness and long-term sustainability..
- 6. It is recommended to establish accurate measurement systems to track the impact of strategic management and social responsibility on stakeholder loyalty, to ensure continuous improvement and decision-making based on accurate and informed data.

BIBLIOGRAPHY

- [1] Ibrahim, Dina Ibrahim (2023). Strategic management as an entry point to raise the efficiency of planning bodies at the local level. Journal of the Future of Social Sciences. 13(3), 25–50.
- [2] Tabidi, Mohamed Hanafi, (2010). The impact of strategic management on the efficiency and effectiveness of performance (unpublished doctoral thesis), University of Khartoum, Sudan.
- [3] Al-Harthy, Saud (2019). Strategic leadership and its relationship to achieving competitive advantage at Taif University, Educational Journal, (66), 96-127.
- [4] Khafaji, Nehmeh, (2010). "Strategic Management Entrances, Concepts and Processes", Dar Al-Thaqafa for Publishing and Distribution, Amman.
- [5] Shamla, Abdel Fattah (2016). Training Palestinian Municipal Employees in Strategic Planning, Evaluation View, Journal of the American-Arab Academy for Science and Technology, 7(23), 55-80.
- [6] Al-Ariqi, Mansour (2011). "Strategic Management", University of Science and Technology, University Book House, Sana'a, Yemen.
- [7] .Thabet, Salwa, (2021), The Role of Strategic Management in Crisis and Disaster Management in Gaza Strip Municipalities, (Unpublished Master's Thesis), Al-Quds Open University, Gaza.
- [8] Al-Awawdeh, Jamila Adeeb (2018). The Role of Strategic Management in Achieving the Competitive Advantage of Insurance Companies in Palestine "National Insurance Company as a Case Study", (unpublished master's thesis). Al-Quds University, Palestine.
- [9] Awad, Mohamed Ahmed (2003). Strategic management, scientific assets and foundations. Cairo: University House.
- [10] Al-Qahtani, Qamra Tahous and Al-Hoshani, Manal and Al-Madi, Ahlam Nasser and Al-Sayahi, Iman Abdullah and Al-Ghannam, Bassima
- [11] Mohammed, Salah Sheikh Idris Ibrahim (2016). The application of international accounting standards and their impact on evaluating the financial performance of non-profit institutions (a field study at Sudan Open University), (unpublished doctoral thesis). Shendi University, Sudan.
- [12] Al-Husseini, FalahHassanAddai (2014), Strategic Management: Concepts, Approaches, Contemporar y Operations, Amman, Wael Publishing House, First Edition. pp. 22-61.
- [13] Brick, Doaa. (2020). A study of the impact of accounting disclosure on social responsibility on the characteristics of Egyptian joint stock companies, an experimental study, Zagazig University, No.

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

- [14] Khalil, Abdul Rahman; Small, Hussein. (2022). The impact of disclosure of elements of sustainable development in rationalizing investment decisions (a field study on a sample of Sudanese industrial companies). Journal of Humanities and Natural Sciences, Vol. 3, No. 8.
- [15] Saleh, Reda, Al-Darwish, Abdel Rahman, Al-Sayed Ali, (2018), "The Impact of Disclosure of Social Responsibility Practices in Kuwaiti Joint Stock Companies with a Field Study", Journal of Contemporary Business Studies, Kafr El-Sheikh University, Egypt, Issue 5, pp. 36-68.
- [16] Al-Athari, Mohammed, (2017), "Accounting Disclosure of Social Responsibility and its Impact on Corporate Performance", Master's Thesis in Accounting, College of Administration and Economics, Al-Qadisiyah University, Iraq.
- [17] Unaizah, Hussein; Ali, Maher. The Impact of Social Responsibility Disclosure in Financial Statements on the Decisions of the Users of These Statements: An Applied and Exploratory Study, Al-Ghari for Economic and Administrative Sciences, Volume 9, Issue 26.
- [18] Al-Awdat, Anas, (2014), "The Impact of Social Responsibility Disclosure on the Market Value of Commercial Banks According to Tobin's Q Model: An Empirical Study on Jordanian Commercial Banks 2009-2014", Master Thesis in Accounting, Faculty of Business, Middle East University, Jordan
- [19] David, F. R., David, F. R., & David, M. E. (2020). Strategic Management: A Competitive Advantage Approach, Concepts and Cases. Pearson.
- [20] Freeman, R. E., Harrison, J. S., & Zyglidopoulos, S. C. (2020). *Stakeholder Theory: Concepts and Strategies*. Cambridge University Press.
- [21] Hill, C. W. L., Jones, G. R., & Schilling, M. A. (2021). Strategic Management: Theory: An Integrated Approach. Cengage Learning.
- [22] Jones, B., Hillier, D., & Comfort, D. (2022). "Corporate social responsibility and stakeholder engagement in the food manufacturing sector." *Sustainability*, 14(10), 1234.
- [23] Kähkönen, A.-K., & Lintukangas, K. (2022). "Towards sustainable supply strategy in the food industry: the case of Finland." *British Food Journal*, 124(13), 143-164. https://doi.org/10.1108/BFJ-03-2021-0257
- [24] Malekpour, M., Caboni, F., Nikzadask, M., & Basile, V. (2024). "Taste of success: a strategic framework for product innovation in the food and beverage industry." *British Food Journal*, 126(13), 94-118. https://doi.org/10.1108/BFJ-02-2023-0138
- [25] Maziti, L. & Chinamania, Willie & Marange, Chios. (2018). the relationship between strategic leadership, innovation performance and competitive advantage amongst a sample of small businesses in South Africa Journal of Contemporary Management. Volume 15. Strategic leadership: the essential skills PubMed (nih.gov)
- [26] Reed, G. (2019). Leadership strategies for improving employee engagement in the information technology industry (Order No. 13898890). Available from ProQuest Dissertations & Theses Global. (2243875408). Retrieved from. "Leadership Strategies for Improving Employee Engagement in the Informa" by Geneva L. Reed (waldenu.edu)
- [27] Shoemaker J.H., Krupp Steve, and Howland Samantha (2013): Strategic Leadership: The Essentia Skills, Harvard Business Review. Strategic leadership: the essential skills PubMed (nih.gov)
- [28] Williams, Henry S.; Johnson, Terryl L (2013): Strategic leadership in Schools, Academic Journal Education v133 n3 p 350 355.
- Dahar, B. K., Sarkar, S. M., & Ayittey, F. K. (2022). Impact of social responsibility disclosure between implementation of green accounting and sustainable development: A study on heavily polluting companies in Bangladesh. Corporate Social Responsibility and Environmental Management, 29(1), 71-78.
- [30] Hadi, R, Al.Kaabi, H, (2022), "Investigating the impact of corporate social responsibility on the risk of financial helplessness in companies listed on the Iraqi stock exchange", World Bulletin of Management and Law (WBML), Vol 12, pp 171-189.

2025, 10(40s)

e-ISSN: 2468-4376

https://www.jisem-journal.com/

Research Article

- [31] Hadi, R, Al.Kaabi, H, (2022), "Investigating the impact of corporate social responsibility on the risk of financial helplessness in companies listed on the Iraqistock exchange", World Bulletin of Management and Law (WBML), Vol 12, pp 171-189.
- [32] Hazaima, H, Low, M, Allen, J, (2017), "Impact of corporate social responsibility disclosures on financial performance a Jordanian case study", Int. J. Critical Accounting, Vol. 9, Nos. 5/6".
- [33] Huang, F., Chen, M., & Liu, R. (2023). The nature of corporate social responsibility disclosure and investment efficiency: Evidence from China. Frontiers in Environmental Science, 11, 117.
- [34] Kieu, T. K., Nguyen, C. H., & Wu, S. H. (2022). The impact of mandatory CSR disclosure on firm efficiency in an emerging country. Journal of Business Economics and Management, 23(6), 1334-1350.
- [35] Kouaib, A., & Amara, I. (2022). Corporate Social Responsibility Disclosure and Investment Decisions: Evidence from Saudi Indexed Companies. Journal of Risk and Financial Management, 15(11), 495.
- [36] Mayliza, R. (2021). Literature Review Disclosure Corporate Social Responsibility (CSR) Ofin Assessing Company Performance. International Journal on Economics, Finance and Sustainable Development, 3(5), 96-101.
- [37] Mentor, M. (2016). The effects of corporate social responsibility on financial performance., Honors Undergraduate Theses. 47.
- [38] Mohammed, N, Zakaree, S, Oladele, O, (2016), "Corporate Social Responsibility Disclosure and Financial Performance of Listed Manufacturing Firms in Nigeria, Business", Economics Research Journal of Finance and Accounting.
- [39] PAMBUDI, W. F., DIAN, W., Suherman, S., LEONARDUS, S. B. A., & Sukrisno, S. (2022). How Do Green Investment, Corporate Social Responsibility Disclosure, and Social Collaborative Initiatives Drive Firm's Distribution Performance?. Journal of Distribution Science, 20(4), 51-63.
- [40] Rokhayat, H., Nahartyo, E., & Haryono, H. (2019). Effect of financial information and corporate social responsibility disclosure on investment decision: Evidence from an experimental study. Asian Journal of Business and Accounting, 12(1), 129-164.
- [41] Siddique, M. N. E. A., Nor, S. M., Senik, Z. C., & Omar, N. A. (2023). Corporate Social Responsibility as the Pathway to Sustainable Banking: A Systematic Literature Review. Sustainability, 15(3), 1807.
- [42] Sucahyati, D., Harymawan, I., & Nasih, M. (2022). Corporate Social Responsibility (CSR) Disclosure on Politically Connected-Family Firms. Journal of Accounting and Investment, 23(2), 281-309.