

# **The Effect of Applying Green Accounting on the Financial Performance of Jordanian Public Shareholding Industrial Companies**

**By**

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## **Abstract**

The current study aimed to identify the effect of applying Green Accounting through the disclosures of (green innovation, green design, green environmental performance, and green costing) on the Financial Performance of Jordanian Public Shareholding Industrial Companies. The sample of the study consisted of (41) companies of the Jordanian public shareholding Industrial companies. To achieve the aims of the study, the study used a descriptive analytical approach, multiple linear regression to test the hypotheses, the study covered the period (2016-2018).

The study found that there is an effect of green design, green environmental performance, and green costing on the financial performance on return on assets and (Tobin's Q) model in Jordanian public shareholding industrial companies, also, found an effect of green design on financial performance as measured by the return on equity, and there is no impact of green innovation on financial performance as measured by the return on assets and (Tobin's Q) model, also, there is no impact of green innovation, green environmental performance, and green costs on financial performance as measured by the return on equity.

Based on these results, the study recommended industrial companies to activate green innovation to give a competitive advantage to companies. It also recommended spreading awareness among industrial companies to stimulate green design through the use of environmentally friendly raw materials and conducting continuous assessments of the level of disclosure of green accounting to maintain environmental performance.

**Keywords:** Financial Performance, green accounting, Jordanian Public Shareholding Industrial Companies