

EMPLOYING SUSTAINABILITY ACCOUNTING STANDARDS AS A MECHANISM TO IMPROVE THE PERFORMANCE OF COMPANIES: AN ANALYTICAL STUDY IN THE IRAQI NATIONAL INSURANCE COMPANY

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ABSTRACT

The current study aims to employ sustainability accounting standards in its dimensions "financial inclusion and capacity, customer privacy and data security, management of the legal and regulatory environment, systemic risk management, integration of risk factors ESG in credit risk analysis" as a mechanism to improve the performance of companies in its dimensions "employee satisfaction, improving productivity, and growth" Accordingly, in order to detect the level of availability of study variables at the Iraqi National Insurance Company, the questionnaire tool was adopted as a measuring tool, and accordingly (73) form was distributed to the sample of workers within the company, and in order to clarify the results that the study seeks to clarify, a set of methods were used to ensure that the test of the applied side of the study, and perhaps the most famous of these methods are represented in the arithmetic average, Standard deviation, level of importance, Pearson's correlation coefficient, and impact coefficients between internal variables according to the SMART program. PLS & SPSS.V.28), and accordingly, after showing the results of the study, it was found that there is an interest of the Iraqi National Insurance Company to enhance transparency by using sustainability accounting standards in increasing the level of transparency and responsibility in the company's business, through sustainability reports, the company's performance in the environmental, social and economic fields is clarified, and thus customers and shareholders can understand the efforts made and assess the overall impact of the company, and therefore the most important recommendations of the study are that the Iraqi National Insurance Company should Conduct an analytical study to assess the current state of the company in relation to sustainability. This includes identifying strengths and weaknesses and identifying areas that need improvement.

Keywords: sustainability accounting, corporate performance, Iraqi National Insurance Company.

INTRODUCTION

Due to the tremendous development that has occurred in the business environment in recent years, the issue of the sustainability of financial institutions, especially the Iraqi National Insurance Company, has become a performance indicator, and is no longer limited to financial aspects, but due to the fact that the Iraqi National Insurance Company is considered one of the most important financial institutions, so it contributes more than it does to achieving sustainable development, including environmental protection, achieving social welfare and developing the economy, while playing a role in Improving the performance of companies. It

contributes to improving the economic level of the country because it is the main engine of activity and reduces the burden on citizens.

Insurance companies are dealing directly with the sustainability challenges and environmental and social changes facing the world. They operate in an industry that requires long-term financial sustainability and ensuring the sustainability of the communities and environments in which they operate. Therefore, insurance companies must be able to balance financial, environmental and social interests to achieve outstanding performance and effective contribution to global sustainability.

PART ONE: THE METHODOLOGY OF STUDY

First: The problem of study

Insurance companies are one of the most important competitors in the commercial market and have a significant impact on the economy and society. Nowadays, there is increasing interest in sustainability and the need to balance the economic, social and environmental dimensions to achieve sustainable development, and therefore employing sustainability accounting standards can be a powerful tool to improve the performance of insurance companies and enhance their commitment to sustainability. Sustainability standards also help measure and evaluate companies' performance in areas such as environment, social responsibility and governance. Using these standards, insurers can identify the strengths and weaknesses of their practices and take action to improve them. This means that in order to overcome the problems of achieving sustainability accounting in order to improve the performance of insurance companies, the insurance company can take some measures such as enhancing awareness of the importance of sustainability, motivating employees and shareholders to participate in the implementation of sustainability standards, taking advantage of technology to facilitate the collection and analysis of data related to sustainability, and cooperating with the competent authorities and those interested to develop a strong framework to employ sustainability standards in the insurance industry. Hence, the problem of study can be summarized in an important question: (What are the standards required in order to employ sustainability accounting as a mechanism to improve the performance of companies?). To answer this question, there are a set of sub-questions:

1. What criteria can be followed in order to improve the sustainability accounting of the Iraqi National Insurance Company?
2. What are the most important indicators that can be adopted in order to improve the performance of Iraqi national insurance companies with regard to (employee satisfaction, improving productivity, and growth)?
3. What is the nature and type of relationship between sustainability accounting standards and corporate performance?

Second: Objectives of study

In general, the topic of employing sustainability accounting standards in the insurance company aims to improve the company's performance by promoting sustainability, social responsibility and meeting customer expectations. It also contributes to building a positive

image of the company and achieving sustainable development in the long term, and therefore it is possible to determine the objectives of the other study that it aspires to achieve as follows:

1. Identify the mechanisms of employing sustainability accounting standards in a way that the insurance company can enhance transparency, accountability and build trust among customers and other stakeholders in order to improve its overall performance. It can also contribute to improving long-term financial performance and reducing potential risks related to environmental and social changes.
2. Identify the mechanisms of improving the mechanisms of using sustainability accounting standards to achieve an improvement in the performance of insurance companies by activating sustainability practices, by focusing on aspects of environmental, social and governance sustainability, and the company can achieve higher efficiency, reduce risks and improve financial performance in the long term.
3. Determine the nature of the relationship between sustainability accounting standards and corporate performance at the Iraqi National Insurance Company.

Third: The importance of study

The most prominent importance of study in the following points:

1. Focus on enhancing the company's reputation by employing sustainability accounting standards in a way that encourages transparency, accountability and building trust among customers and other stakeholders, when the insurance company adopts sustainability standards and works to improve its performance in this area, it builds a positive image of the company as a responsible organization committed to sustainability.
2. Insurance companies are sectors that have a significant impact on society and the environment. Using sustainability accounting standards, a company can identify the social and environmental impact of its activities and identify areas that need improvement.
3. Meeting customer expectations, as the demand for sustainable and responsible insurance services by customers is increasing, when the insurance company adopts sustainability accounting standards and works to improve its performance in this regard, it responds to customer expectations by providing sustainable products and services and contributes to building long-term relationships with them.

Fourth: Hypothesis scheme and hypothesis development

This paragraph classifies the hypothetical scheme of study by two variables to measure the level of availability of the Iraqi National Insurance Company to improve the relationship between sustainability accounting, and the performance of companies, and on the basis of that was built hypothetical scheme (1), which suggests to:

Independent variable: It is represented in sustainability accounting standards by five dimensions: (financial inclusion and absorptive capacity, customer privacy and data security, management of the legal and regulatory environment, systemic risk management, integration of risk factors ESG in credit risk analysis), and the scale (Al-Awwad & Al-Ibrahimi, 2021) was adopted to study this variable.

Dependent variable: It was represented in the performance of companies and included three dimensions (employee satisfaction, improving productivity, and growth), and a scale was adopted (Mbore et al., 2019: 232; Alkathiri et al., 2019:1085) to study this variable.

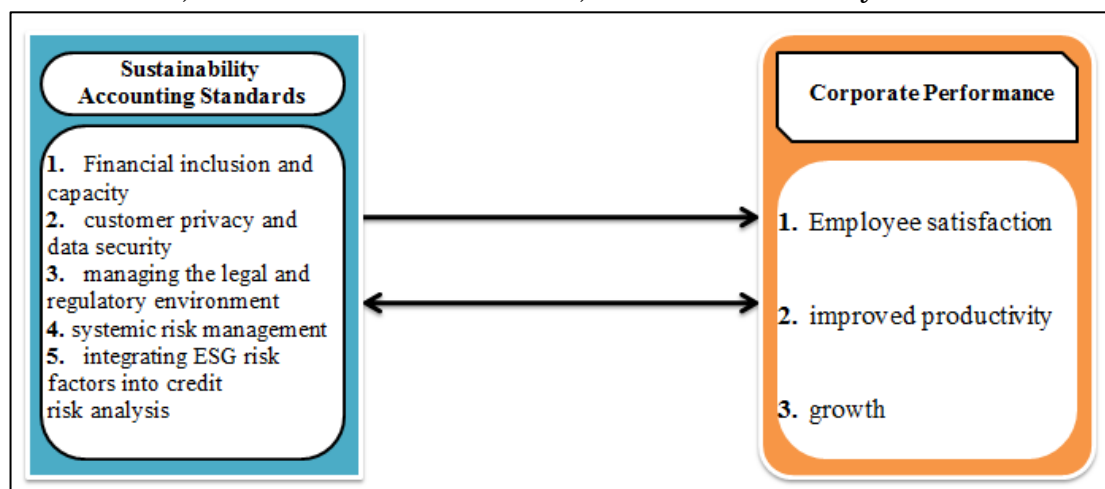


Figure 1 Hypothesis scheme of study

Source: Researcher Preparation

As a result of the construction of the hypothesis scheme of study, it is clear that there are two hypotheses:

H1: There is a statistically significant correlation between sustainability accounting and corporate performance, and the following hypotheses branch:

H1-1: There is a statistically significant correlation between financial inclusion, absorptive capacity and the performance of companies in their dimensions (employee satisfaction, productivity improvement, and growth).

H1-2: There is a statistically significant correlation between customer privacy, data security, and corporate performance in its dimensions (employee satisfaction, productivity improvement, and growth).

H1-3: There is a statistically significant correlation between the management of the legal and regulatory environment and the performance of companies in its dimensions (employee satisfaction, productivity improvement, and growth).

H1-4: There is a statistically significant correlation between systemic risk management and corporate performance in its dimensions (employee satisfaction, productivity improvement, and growth).

There is a statistically significant correlation between the integration of ESG risk factors in credit risk analysis and the performance of companies in their dimensions (employee satisfaction, productivity improvement, and growth).

H2: There is a statistically significant impact of sustainability accounting on the performance of companies, and the following hypotheses branch:

1. **The first sub-hypothesis:** There is a statistically significant effect of financial inclusion and absorptive capacity on the **performance** of companies in their dimensions (employee satisfaction, productivity improvement, and growth).

2. **The second sub-hypothesis:** There is a statistically significant correlation for customer privacy and data security in the **performance** of companies in its dimensions (employee satisfaction, productivity improvement, and growth).
3. **The third sub-hypothesis:** There is a statistically significant correlation for managing the legal and regulatory environment **in the performance** of companies in its dimensions (employee satisfaction, productivity improvement, and growth).
4. **Fourth sub-hypothesis:** There is a statistically significant correlation for systemic risk management **in the performance** of companies in its dimensions (employee satisfaction, productivity improvement, and growth).
5. **Fifth sub-hypothesis:** There is a statistically significant correlation to integrate risk factors ESG in credit risk analysis in the performance of companies in their dimensions (employee satisfaction, productivity improvement, and growth).

Fifth: Study Sample

Study sample was represented in a group of employees of the Iraqi National Insurance Company, as (100) questionnaires were distributed, and (85) questionnaires were retrieved by (15) unrecovered, and (12) damaged, which means that the number of questionnaires valid for analysis amounted to (73) questionnaire equivalent to (73%) response rate of the total number distributed.

PART TWO: THE THEORETICAL SIDE

First: Sustainability Accounting

1. The Concept Of Sustainability Accounting

Sustainability as a concept is a very prominent issue at this time, as sustainability is more inclusive in nature and has long-term environmental concerns compared to sustainable development, sustainability from the environmental axis is the empowerment of current people to prepare and protect the environment for future generations. (Yadav& Bandyopadhyay,2014:130). Kamaruddin et al. (2016:730) showed that awareness of environmental issues may or may not affect an individual to participate in a particular activity in the environmental program, as other factors such as social norms, financial resources and other psychosocial conditions can affect him or her in order to participate in environmental programs.

The sustainability phase began with the new millennium, where researchers realized at this stage that sustainable performance is the main pillar in order to preserve the environment from pollution, and its impact on organizations must produce environmentally friendly products through the investment of time and efforts made by workers in a way that contributes to maximizing the organization's capabilities in preserving natural resources and seeking sustainability, which necessitated the need to apply a capacity-based approach to understand internal and external resources optimally and better. Focus on measuring sustainable environmental performance through (economic, social and environmental performance) (Alfatlawy et al.,2021:230)

The Sustainability Accounting Standards Board (SASB) was established in 2011 and is an independent non-profit organization for setting sustainability accounting standards registered in the United States, officially launched on October 4, 2012, and SASB's stated mission is to

develop and publish industry-specific accounting standards for material sustainability issues for integrated reporting purposes that meet the needs of investors. 2017 Technical Agenda for 79 industries in 11 key sectors of the Sustainability Industry Rating System. From 2 October to 30 January 2017 and whether the standards or updates to the standards are accurate from SASB constitutes material information that provides the rationale and evidence in favor of the proposed changes (al-Mamouri & Al-Jajawi, 2022:82).

Sustainability accounting has become a system for reporting on the economic, environmental and social impacts of the activities of economic units, because the traditional method of reporting only economic activities is no longer appropriate in light of environmental developments, which led to the need to pass representation. Publish a conceptual framework for normative guidelines for the development of principles relevant to the definition of a continuous reporting framework, including the identification of appropriate solutions easily needed to improve the reality of Iraqi companies (Yaqoub, 2019: 542)). Hence, sustainability accounting can be defined as an integrated concept with economic, environmental and social dimensions in the accounting processes and financial reports of companies.

2. The importance of sustainability accounting

Sustainability accounting is of great importance and plays a crucial role in several aspects, and here are some of the reasons why sustainability accounting is important:

- a. Enable them to deal with obstacles to the achievement of the Organization's objectives.
- b. The extent to which these objectives have been achieved.
- c. Sustainable performance sets the necessary standards in dealing with crises
- d. Generates a clear and comprehensive vision in the organization of the nature of business, goods and services, and the extent of their impact now and in the future (Jaaron et al. , 2019:1073).
- e. Encourage consumers to protect themselves and their environment using their purchasing power (Pezikoğ lu,2012:84) (SARITA Ş,2018:259).
- f. Creating environmental awareness and better interest among consumers and organizations in order to preserve the environment and use information to reduce damage to the environment (Nittala, 2014:139)).
- g. Ensuring sustainable consumption and production patterns
- h. d. Reducing inequality within and between countries
- i. Eradication of poverty in all its forms everywhere
- j. Ensuring healthy lives and promoting well-being for all at all ages (Le Blanc, 2015:182).
- k. Facilitates the process of comparing the performance of banks on sustainability issues
- l. Strengthens the work of banks to manage risks related to sustainable development issues
- m. Helps provide investors with a complete picture of the non-financial statements of the Bank's business (Al-Awwad & Al-Ibrahimi,2021:10)).

3. Sustainability Accounting Standards

There are five sustainability accounting standards (Al-Awwad & Al-Ibrahimi, 2021)):

- a. **Financial inclusion and absorptive capacity** : i.e. the continuity of natural resources, biological diversity and individual health, as environmentally sustainable units are units that

consume resources with the absorptive capacity carried by the institution and reduce the environmental and financial impacts resulting from operational activities (Maqsoud, 2022: 10)

b. Customer privacy and data security: Customer privacy and data security aim to build trust and emphasize companies' commitment to protecting customer information and maintaining their privacy and data security (Chawla & Kumar, 2022: 582).

c. Managing the legal and regulatory environment: that is, gaining the legitimacy of survival through the disclosure of information that reflects the efficiency and effectiveness of available resources in a way that improves the internal environment of the institution and enhances its capabilities and performance in the long term (Saleh, 2020: 13).

d. Systemic risk management: Systemic risk is the risk that arises as a result of non-compliance with statutory laws and regulations that apply to companies and organizations in their field of operation. These risks relate to compliance with domestic and international laws and regulations related to finance, accounting, taxation, environment, health and safety, consumer protection and other areas (Ihyak et al., 2023: 1561).

e. Integration of ESG risk factors in credit risk analysis: organizations that prepare and publish sustainability reports increase the adoption of risk reduction and thus analyze credit risk more positively (Helou wa Tawil, 2018: 219).

Second: Corporate Performance

1. The Concept Of Corporate Performance

The performance of companies strategically also refers to the outstanding performance of the organization compared to the performance of competing organizations in the same marketing segment and the industrial sector, which means that strategic performance works to support competitive advantages and achieve the outstanding performance of the organization in the long term (Sorour and Omar, 2013: 107), and concluded (Jawad, 2013: 121) that the performance of companies strategically refers to a set of economic and organizational resources that the organization uses in order to improve and maintain its performance. Moussa and Karaji (2015: 94) define corporate performance strategically as representing the expected results of an organization's activities.

Corporate performance refers to the outstanding performance of an organization compared to the performance of competing organizations in the same marketing and industry sector, which means that strategic performance is dedicated to supporting competitive advantage and achieving outstanding performance of the organization in the long term (Suroor) (Suroor and Omar, 2013: 107), and between (Jawad, 2013: 121) that company performance strategically refers to the set of economic and organizational resources that an organization uses to improve and maintain its performance. (Musa and Karji, 2015: 94) defines business performance strategically as representing the expected results of organizational activities.

Since the strategic performance of the enterprise reflects the organization's ability and practice to achieve the set goals, it can use various material, human and financial resources and make appropriate investments to achieve its primary purpose. (Abbas and Al-Jawfi, 2016: 69); Al-Sheikhly and Al-Joufi, 2016: 335). Jallab & Jassem (2017: 161) believes that the company's strategic performance represents the end result of a disjointed set of financial and non-financial indicators based on the principles of integration between various marketing, financial and

operational aspects and creating the appropriate environment for creativity and learning in the organization's business. Al-Jabri (2017: 349) indicates that the performance of companies strategically refers to the competitive performance of the organization compared to other organizations, and the increase in the organization's awareness of developments occurring in its external environment. He pointed out (Al-Kubaisi and Al-Hadithi, 2017: 9) that strategic performance represents the result that expresses the organization's ability to manage its effectiveness in order to employ its tangible and intangible resources in order to achieve the strategic objectives of the organization, both financial and non-financial, as well as adapt to the requirements of the competitive environment. From the above, the performance of companies can be defined as the company's ability to achieve its goals and implement its strategies effectively and successfully.

2. Corporate Performance Indicators

The performance of companies can be measured through three dimensions (Mbore et al., 2019: 232; Alkathiri et al., 2019: 1085):

a. Employee satisfaction: Employee satisfaction is defined as the positive emotional state between individuals and organizations at work (Zhang & Li, 2013: 48; Deb et al., 2018: 2). Alimov (2019: 35) argue(that employee satisfaction represents a combination of emotional responses to different expectations of what employees need versus what they get in the workplace. Goel (2014: 63) noted that employee satisfaction refers to employee views, optimism, self-concept, positive beliefs about themselves, organization, mission and goals, set paths, daily decision-making, and employee esteem.

b. Improving productivity: Improving productivity has many positive effects that are reflected on several parties, the first of which is the individual; if productivity improves, the per capita income rises, and its economic level improves, and improving productivity has an important impact on the enterprise itself, as this raises its competitiveness, through its ability to reduce prices, which will eventually lead to increasing the volume of profits and multiplying them, raising their value, and their position in the market (Hanushek, 2017: 165). The effects of improving productivity do not depend only on the individual and the enterprise, but also affect the state, as the latter will become a difficult number in global markets, and the values of its exports will rise, the values of its imports will decrease, and the conditions of its citizens will improve, which will lead to a significant reduction in problems in society, the rule of security, and peace, and perhaps the large countries that were able to leave the disasters that befell them behind, and pay attention to building the individual, and increasing production (Halpern, 2015: 2).

c. Growth: Focused growth is the basis for reflecting the company's intention to achieve simple growth and increase part of its value by allocating resources and paying attention continuously, with the aim of increasing the company's growth strategy and the continuous pursuit of a higher share of average market, sales and sales volume. (in terms of the number of employees), in addition to contributing above average to the company's performance in the market, the practice of simultaneous implementation of the profitability and growth strategy increases the overall value of the company (Han, 2007: 48-50)., The growth rate is an important basis for the administrative and financial decisions of different companies (Paldor et al., 2016: 1), invest in

opportunities and avoid threats as the company's growth rate contributes to changes in company skills and knowledge (Liu et al.,2017:199).

PART THREE: THE PRACTICAL SIDE

First: Coding of study variables

The coding of variables in study represents the process of converting the variables used in study into specific symbols or numbers that represent the values of these variables. Coding is used to organize and classify data and facilitate statistical analysis and interaction with it. Table (1) shows the coding of the variables and dimensions of study in its paragraphs.

Table 1 Coding of study variables

Variables	Dimensions	Paragraphs	Icon		source
Sustainability Accounting	Financial inclusion and capacity	5	SAFA	SAS	Al-Awwad& Al-Ibrahimi,2021
	Customer Privacy and Data Security	2	SACD		
	Managing the legal and regulatory environment	2	SAMR		
	Systemic Risk Management	5	SASR		
	Integrating ESG Risk Factors into Credit Risk Analysis	4	SAIF		
Corporate Performance	Employee satisfaction	5	COES	COP	Mbore et al.,2019; Alkathiri et al.,2019
	Improve productivity	5	COIP		
	Growth	4	COGR		

Second: Normal distribution test for study

It is noted from the results shown in the table above that the results show that the moral value of study test is higher than (0.05), which means that the test achieved the desired goal, and therefore the results of study can be generalized to the studied community.

Table (2) Tests of the normal distribution of study variables

	Kolmogorov-Smirnov ^a		
	Statistic	Push	Sig.
SAFA	0.198	73	P>0.05
SACD	0.226	73	P>0.05
SAMR	0.160	73	P>0.05
SASR	0.206	73	P>0.05
SAIF	0.354	73	P>0.05
SAS	0.299	73	P>0.05
COES	0.230	73	P>0.05
COIP	0.258	73	P>0.05
COGR	0.222	73	P>0.05
COP	0.294	73	P>0.05

Third: Stability of the measuring instrument

The results of Table (3) show that the questionnaire tool is characterized by relative stability because its variable obtained a relative standard higher than (0.70) and this confirms that the measurement tool is consistent with the answers of study sample, and this is shown by the sustainability accounting variable by a stability coefficient of (0.958), and the corporate performance variable by a stability coefficient equal to 0.957).

Table 3 Cronbach's alpha coefficients

Variables	Dimensions	Paragraphs	Rate Alpha Cronbach
Sustainability Accounting	Financial inclusion and capacity	5	0.883
	Customer Privacy and Data Security	2	0.861
	Managing the legal and regulatory environment	2	0.871
	Systemic Risk Management	5	0.880
	Integrating ESG Risk Factors into Credit Risk Analysis	4	0.903
Corporate Performance	Employee satisfaction	5	0.941
	Improve productivity	5	0.805
	Growth	4	0.914

Third: Descriptive statistics of data

This paragraph shows the results of descriptive statistics of the variables included in study, and therefore these results will revolve around the arithmetic mean, standard deviation and relative importance, as in the table below.

Table (4) Descriptive Statistics of the variables included in study

NO.	mean	standard deviation	Relative importance	NO.	mean	standard deviation	Relative importance	NO.	mean	standard deviation	Relative importance
SAFA1	3.16	0.85	63%	SASR3	3.21	0.80	64%	COES5	3.37	1.02	67%
SAFA2	3.29	1.07	66%	SASR4	3.33	0.99	67%	COES	3.54	0.71	71%
SAFA3	1.60	0.68	32%	SASR5	3.37	1.22	67%	COIP1	3.21	0.80	64%
SAFA4	3.25	1.04	65%	SASR	3.52	0.70	70%	COIP2	3.33	0.99	67%
SAFA5	3.16	0.85	63%	SAIF1	3.47	1.38	69%	COIP3	3.37	1.22	67%
SAFA	3.03	0.55	61%	SAIF2	3.25	1.04	65%	COIP4	3.47	1.38	69%
SACD1	3.21	0.69	64%	SAIF3	3.16	0.85	63%	COIP5	3.25	1.04	65%
SACD2	3.33	1.19	67%	SAIF4	3.21	0.69	64%	COIP	3.49	0.69	70%
SACD	3.45	0.78	69%	SAIF	3.43	0.62	69%	COGR1	3.16	0.85	63%
SAMR1	3.21	0.80	64%	SAS	3.37	0.56	67%	COGR2	3.21	0.69	64%
SAMR2	3.33	1.19	67%	COES1	3.33	1.19	67%	COGR3	3.33	1.19	67%
SAMR	3.45	0.73	69%	COES2	3.21	0.80	64%	COGR4	3.21	0.80	64%
SASR1	3.45	1.30	69%	COES3	3.33	1.19	67%	COGR	3.38	0.58	68%
SASR2	3.37	1.02	67%	COES4	3.45	1.30	69%	COP	3.47	0.60	69%

The results of the above table show that the level of sustainability accounting standards reached (3.37) with a standard deviation of (0.56) and this is between the level of importance of (67%), what strengthened this variable is the interest of the Iraqi National Insurance Company in improving its capabilities to address and manage systemic risks by an arithmetic mean (3.52) and a standard deviation of (0.70) and an availability level of (70%), and its focus on addressing the dimension of financial inclusion and absorptive capacity as it obtained the lowest arithmetic mean (3.03) and an equal standard deviation For (0.55) with a relative importance of (61%),

which means that the National Insurance Company of Iraq focuses on sustainability accounting standards as a vital matter for the National Insurance Company of Iraq and any other company operating in the insurance sector. Sustainability is understood as the ability to meet current needs without compromising the ability of future generations to meet their needs.

The results also indicated that there is a clear interest in the Iraqi National Insurance Company to improve its performance by an arithmetic mean (3.47) and a standard deviation of (0.60) and this is between the level of interest of (69%), and perhaps this is due to the company's interest in improving the level of its internal and external growth by an arithmetic mean (3.54) and a standard deviation of (0.71) and relative importance (71%), while it is also noted that the company's interest in enhancing employee satisfaction by an arithmetic mean (3.38) and a standard deviation of (0.58) and relative importance (68%), which means that the insurance company Iraqi National focuses on improving its performance when customers and beneficiaries have increased confidence in its ability to meet their needs and provide high quality services, this leads to enhancing the credibility and positive reputation of the company in the market.

Fourth: Hypothesis Testing

This paragraph contributes to showing the strength and relationship of correlation between the variables included in study, and between the dimensions of each, which were explained in the correlation matrix shown in Table (5).

Table 5 Correlation matrix

Variable	1	2	3	4	5	6	7	8	9	10
SAFA (1)	1									
SACD (2)	.569**	1								
SAMR (3)	.618**	.483**	1							
SASR (4)	.477**	.495**	.577**	1						
SAIF (5)	.787**	.711**	.695**	.697**	1					
SAS (6)	.810**	.799**	.817**	.788**	.931**	1				
COES (7)	.655**	.756**	.858**	.819**	.800**	.947**	1			
COIP (8)	.604**	.418**	.639**	.922**	.811**	.814**	.749**	1		
COGR (9)	.758**	.899**	.742**	.617**	.865**	.940**	.867**	.641**	1	
COP (10)	.730**	.744**	.817**	.870**	.900**	.983**	.955**	.880**	.905**	1
** . Correlation is significant at the 0.01 level (2-tailed).								N=73		

The results shown in the above table show a significant correlation between study variables included in the analysis, and under a significant level of (0.01), i.e. a confidence level of (0.99). As follows:

H1: There is a statistically significant correlation between sustainability accounting and corporate performance.

The results of the table (5) show that the increased interest of the Iraqi National Insurance Company in sustainability accounting and corporate performance enhances its internal capabilities as a result of the increase in correlation strength by (0.983), and the following hypotheses branch:

1. The increased interest of the Iraqi National Insurance Company in financial inclusion, absorptive capacity and performance of companies enhances their internal capabilities as a result of increasing the strength of the link by (0.730).
2. The increased interest of the Iraqi National Insurance Company in customer privacy, data security and corporate performance enhances its internal capabilities as a result of increasing the strength of the link by (0.74).
3. The increased interest of the Iraqi National Insurance Company in managing the legal and regulatory environment and the performance of companies enhances their internal capabilities as a result of increasing the strength of the link by (0.817).
4. The increased interest of the Iraqi National Insurance Company in managing systemic risks and the performance of companies enhances their internal capabilities as a result of increasing the strength of the link by (0.870).
5. The increased interest of the Iraqi National Insurance Company in integrating risk factors ESG in the analysis of credit risk and corporate performance enhances its internal capabilities as a result of increasing the correlation strength by (0.900).

The second main hypothesis: There is a statistically significant impact of sustainability accounting on the performance of companies.

Figure (2) and Table (6) indicate that increasing the interest of the Iraqi National Insurance Company in sustainability accounting improves its performance by (0.985) and a standard error of (0.024), which enhances its ability to enhance its performance and benefit from sustainability accounting as a tool for continuous improvement, which requires strengthening procedures in an integrated and coordinated manner to ensure the achievement of the desired results and achieve sustainable development in the company, and as a result sustainability accounting contributed to the interpretation of (0.970) of the variation box in the performance of companies.

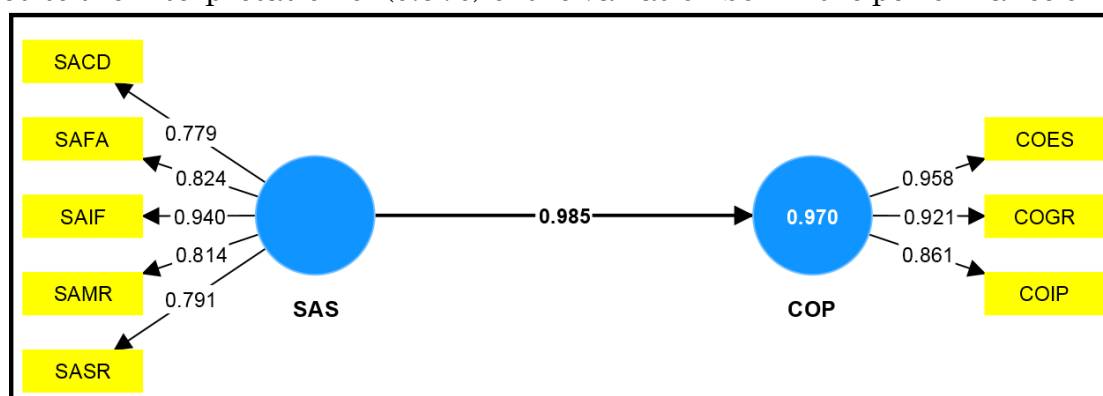


Figure (2) The standard scheme of the relationship of the impact of sustainability accounting standards on the performance of companies

Table (6) Standard weights of the relationship of the impact of sustainability accounting standards on the performance of companies

track		Weights	S.E.	C.R.	R ²	P	Status	
SAS	--->	COP	0.985	0.024	41.042	0.970	***	Acceptance of the hypothesis

PART FOUR: CONCLUSIONS AND RECOMMENDATIONS

First: Conclusions

1. The results showed the interest of the Iraqi National Insurance Company in enhancing transparency by using sustainability accounting standards in increasing the level of transparency and responsibility in the company's business, through sustainability reports, the company's performance in the environmental, social and economic fields is clarified, so that customers and shareholders can understand the efforts made and assess the overall impact of the company.
2. The Iraqi National Insurance Company's interest in using sustainability accounting standards and improving its performance in the environmental and social fields, it builds a positive reputation as a company committed to social responsibility and environmental preservation. This can lead to enhanced trust and loyalty among customers and investors.
3. The Iraqi National Insurance Company is keen to achieve sustainable development through the use of sustainability accounting standards, the Iraqi National Insurance Company can integrate environmental and social dimensions into its strategy and business activities, and by achieving sustainable development, the company can contribute to the protection of the environment and support economic and social development in the local community.
4. NIIC is interested in attracting investors and partners, by employing sustainability accounting standards in a way that can increase the attractiveness of NIIC to potential investors and partners who are interested in sustainable and responsible investment.
5. NIIC's focus on employing sustainability accounting standards in a way that can improve NIIC's financial, social and environmental performance, while enhancing transparency and reputation and attracting potential investors and partners.

Second: Recommendations

Employing sustainability accounting standards as a mechanism to improve the performance of companies requires a set of recommendations and actions that can be implemented, namely:

1. NIIC shall conduct an analytical study to assess the company's current position with regard to sustainability. This includes identifying strengths and weaknesses and identifying areas that need improvement.
2. The need for the Iraqi National Insurance Company to be keen to develop a sustainable strategy that includes goals, plans and guidelines for the implementation of sustainability accounting standards, in a way that the strategy must include the mandatory commitment of the company to social and environmental responsibility.
3. The National Insurance Company of Iraq should develop and improve the company's disclosure procedures and sustainability reports, in a manner that the reports should be transparent, understandable and cover the environmental, social and economic aspects associated with the company's business.
4. The need for the Iraqi National Insurance Company to adopt mechanisms to develop the capabilities of employees and raise their awareness of sustainability accounting standards and their importance, in a way that can organize training courses and workshops to enhance understanding and knowledge of concepts and tools related to sustainability.

5. The need for the Iraqi National Insurance Company to encourage cooperation and partnerships by strengthening cooperation with external parties concerned with sustainability, such as non-governmental organizations, regulators, customers and investors, in a way that can form partnerships to exchange knowledge and experiences and promote sustainable practices.

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