

# **The Impact of Leadership Styles on Enhancing the Financial Performance through the Strategic Alignment in the Jordanian Insurance Companies**

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## **Abstract**

This study aims to investigate the impact of the leadership styles on the financial performance through strategic alignment in the Jordanian insurance companies. A questionnaire was designed and distributed to (227) executive managers whom they form part of (28) companies. The results showed a strong impact of the leadership styles and the strategic alignment on the financial performance. Moreover, the strategic alignment variable has a positive impact on the financial performance. Finally, the results showed that the leadership styles have no impact on financial performance through the strategic alignment in the Jordanian insurance companies.

Key words: Leadership styles, Strategic Alignment, Financial performance

## **1- Introduction:**

During going over several previous studies which measure the effect of a number of organizational variables such as the effect of leadership style on the financial performance, we found some shortages and conflicts in the results of these studies (Aral & Weill, 2007; Malpica Romero et al., 2014; Ozer & Tinaztepe, 2014). Those conflicts gave some researchers a sign to the existence of indirect relationship between those variables and the financial performance, which means that the relationship between the two variables get done upon a middle variable, and proposed the variable of "alignment" as a connection point upon this relationship (Cragg, King & Hussein, 2002; Henderson & Venkatraman, 1993; Qrunfleh & Tarafdar, 2014). Depend on the definition for alignment that Huang & Qing (2007) dealt with, it's definition don't exist on the base of physical modification process for one of the dimensions, but it's the mental structure in which throughout it does perform information technology during and with organism every time. Through this definition, the reason for not succeeding was clear for many of the organisms in building a suitable alignment as these organisms concentrate only on the approach of aligning information technology with the organism's dimensions, forgetting that the alignment process is an exchangeable process for both sides, and this what some

researchers emphasize on, such as; Luftman who stress on the relationship argument between the two variables, and that the alignment process fell under both variables together (Luftan & Kempaiah, 2007; Qrunfleh & Tarafdar, 2014; Venkatesh, et al., 2007). This what push a lot of researchers to impress on the importunacy of newly studying this subject taking into account the variables associated with (Huang & Qing, 2007; Iman & Hartono, 2007; Kearns & Sabherwal, 2006; Ozer & tinaztepe, 2014).

Based on the previous information, this study aims to measure the effect of the leadership style on the improvement of the strategic alignment level and the effect of this alignment in strengthen and empowering the financial performance, and will support this idea through browsing some of the previous studies which reassure the significant of strategic alignment to the different organizational data or facts.

## **2- Study Problem:**

Performance management consider a main factor which lead to the stability, the growing, and the distinctiveness of any organism, and so; the modern studies stressed on the need to go back and study the influencing factors in the organizational performance in general (Aral & Weill, 2007; Botella, et al., 2009; Calderon, Seo, & Kim, 2001; Ozer & Tinaztepe, 2014; Pitts, et al., 2008;). A bunch of the studies added that the noticeable expansion of accepting information technology in organisms as with the uncertainty of its participation in improving performance, influence researchers to newly deepen the look at studying this subject (Aral & Weill, 2007; Huang & Qing, 2007; Kobelsky, et al., 2014; Ozer & Tinaztepe, 2014; Nakata Zhen & Kraimer, 2008;; Tallon, 2007; Venkatesh, et al., 2007).

A number of researchers also refer to the significant of studying some variables, such as; leading styles variable which refer to it all of (John & Victot, 2009; Malpica Romero, et al., 2014; M. Young & V. Dulewicz, 2006). They finished also stressing on the importunacy of developing accredited measurements to weigh up the related variables (Kobelsky, et al., 2014; Pleshko & Nickerson, 2008; Steffens, et al., 2009; Stremersch & Teilis, 2004).

Through going over the results of the previous studies that dealt with the effect of a group of the organizational variables on performance, some researchers ensure the existence of conflict between results which pushed some to call for the intermediary relationship theory between the organizational variables and the financial performance (Kobelsky, et al.,2014; Pleshko & Nickerson, 2008; Qrunfleh & Tarafdar, 2014), and this what we will adopt in this study by adding a middle variable which is strategic alignment (Dimitrios, et al., 2013;Malpica Romero, et al., 2014).

Through what we just went over, and depending on what the previous studies referred to which talked totally about measuring a group of organizational variables on financial performance directly forgetting that those variables don't function alone inside the organism; there are sources for another forces which must take into consideration to define form, and level of the influence, and that is why the problem of this study at hand will focus on measure the effect of one of those variables which is leadership styles in improving the level of financial performance through strategic alignment in the Jordanian insurance companies. Depending on

that, the variables which will study are (leadership styles as an independent variable, strategic alignment as a middle variable, and financial performance as a dependent variable).

### 3- Study objectives:

This study comes as a response to the workable reality requirements at the Jordanian insurance companies, adding to it the theoretical need which the previous studies stress on, and that is why study objectives includes the following points:

First: study the practical reality for the leadership styles currently used in the Jordanian insurance companies' organisms. Second: Study the levels of strategic alignment currently ruling in the Jordanian insurance companies. Third: Study the direct effect of leadership styles on the financial performance in the Jordanian insurance companies. Fourth: Study the direct effect of strategic alignment on the financial performance in the Jordanian insurance companies. Fifth: Study the indirect effect of leadership styles on the financial performance through the strategic alignment.

### 4- Importance of the Study:

This study importunacy comes as a response to the workable reality requirements, and the theoretical need which we had arrived to from the previous studies, and based on it the study importunacy can be divided into two parts which they are:

First: The Practical importunacy which restricted to the following points:

- 1- This study tries to provide advises for specialists to employ the suitable leadership style for the aim of improving company's financial performance.
- 2- This study tries to prove that the leadership styles have an impact on financial performance through the strategic alignment
- 3- This study helps specialists, researchers, chief Information officers inside the companies, and managers to improve the organism's performance through the use of a leadership style that is appropriate with the level of strategic alignment.

Second: The theoretical importunacy which restricted to the following points:

- 1- This study tries to test the theory that say "The effect of leadership styles on the financial performance will be through the alignment variable", and so this study will serve specialists by providing them with practical test for this theory.
- 2- This study comes as a response to the previous studies which recommend repeating test some of the variables related to performance for specifying form of impact on it, and test the difference in this relationship between the economical sectors.
- 3- This study tries to repeat testing this theory in different environment as a response to the provided suggestions in the previous studies, and so will work on applying this theory in Jordan as one of the third world countries.

### 5- Study society and analysis unit:

Study society consist of all registered Jordanian insurance companies in Amman financial market up to the year 2015, which the estimated number of it, according to the report issued by financial documents institution in the year 2012, is (28) companies. Analysis unit was represented via executive managers in the insurance companies whom the estimated number of them is (227) executive managers, and had distributed the questionnaire to all executive

managers present in these companies, and received back (154) questionnaire which amount to a percentage of (67,8%).

### **6- Study variables:**

The study took into consideration a number of terms and variables which need to be defined in order to facilitate the task of measuring it, and those are:-

First: strategic alignment: refer to the formation or the combination of attributes for both follow- up organism strategy and information systems strategy. It will specify the level of alignment between these two variables in the Jordanian financial sector through (the strategic alignment maturity model) that start working with it the year 2000 by the researcher (Loftman) which consists of six primary components, in which through it, will evaluate the degree of achieved alignment maturity in the organizational entity, those are:

First: Communication: it is the measurement of the effectiveness for the exchange of ideas, knowledge, and information between information technology and business organizations. Second: Value: refer to the measurement that specifies the participation of both information technology and organism in working for the aim of understanding and excepting one and another. Third: Governance: this component have to do with specifying the authority owner in the decision support of information technology, specifying the declared information technology processes, and also specifying the executive managers duty scope related to the mechanism of dealing with strategies and tactics. Fourth: Partnership: measure the relationship between business and information technology organisms, and it include the role of information technology in the defining of business strategy, confidence degree between the two organisms, and how to determine the participation of one and the other. Fifth: Scope and Architecture: this component does measure the degree of the infrastructure flexibility for information technology. Sixth: Skills: measure the applications of human resources, and they are employment, retention, training, performance feedback, promote innovation and provide job opportunity, and develop workers individual skills, and also measure the readiness of the organism for change, and the ability to benefit from the new ideas ( Khaiata & Zualkeman, 2009). Starting from those previous six components, we finish specifying five levels of alignment between information technology and the business, and those are: First: Initial or Ad-hoc processes, Second: Committed processes, Third: Established and focused processes, Forth: Improved and managed processes, Fifth: Optimized processes (Luftman & Kempaiah, 2007).

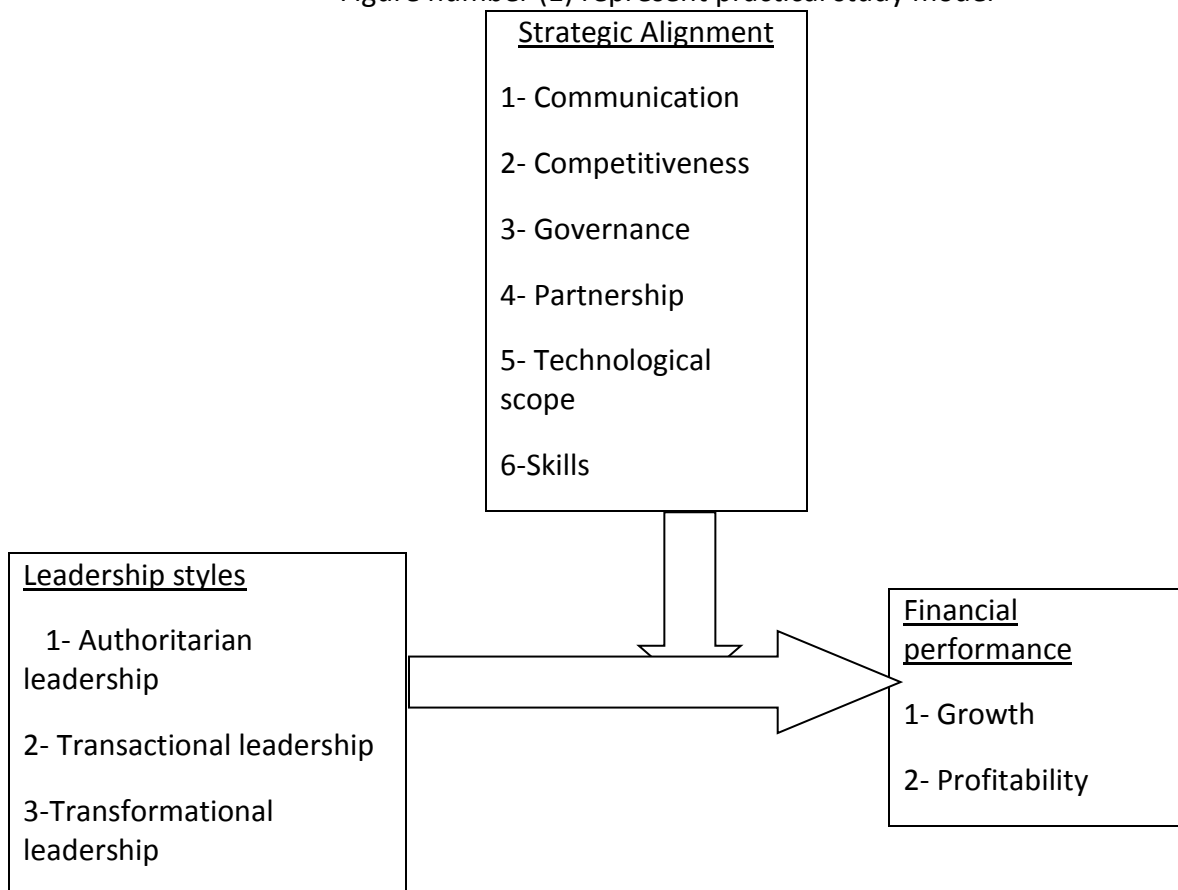
Second: Leadership styles: several researchers dealt with and mentioned this variable in their studies in different ways, and for the purpose of this study we will depend on dividing the leadership roles into three dimensions, and they are: First: Authoritarian leadership: This style of leadership distinguish with absolute authority for the top management in the decision making with assurance on the tight controlling importunacy on employees, and applying the method of reward and punishment to motivate employees to perform their duties or jobs. Second: Transactional leadership: This form of leadership describe as method of exchanging benefits between the leadership and the subordinates to achieve the goals of each other, and they use the method of incentives as primary source for the power, whereas the relationship between the leadership and the subordinates will continue as long as the incentive achieve

gratification for subordinates. Third: Trans-formational leadership: In this style of leadership, we uses the subordinates motivation method to push them to execute duties and tasks innovatively, manager in this style tries to make his subordinates focus their attentions at a bigger way on goals farther than their direct personal interest (Patrick, et al, 2000).

Third: Financial performance: several researchers dealt with this variable in deferent ways depend on the nature of the study society, but we will recommend in this study Bergeron definition whom he refer to the financial performance on the base of organization strategy strength and capability compare with competitors, and with that it is possible to divide it into two dimensions, and they are: First: Profitability: It is possible to measure it by using some of the financial indicators, such as, return on investment(ROI), Return on sales(ROS), and profit share ratio, and this dimension particularly measure organization strength. Second: Growth: In this dimension we will take into consideration the long duration timely effect of financial situation of organism for the period of five years using some indicators like sales growth, and profit growth percentages (Bergeron, et al, 2004).

**7- Practical Study Model:**

Figure number (1) represent practical study model



This study stand on a primary hypothesis that assures the finding of leadership styles effect on the financial performance through a median variable which is strategic alignment. Emerge from this primary hypothesis three main hypothesis, and they are as follow:-

First Hypothesis: There is an impact of statistical significance of the leadership style on the level of strategic alignment. Emerge from it three secondary hypothesis:

1- There is an impact of statistical significance of the authoritarian leadership on the level of alignment.

2- There is an impact of statistical significance of the transactional leadership on the level of alignment.

3- There is an impact of statistical significance of the transformational leadership on the level of alignment.

Second Hypothesis: There is an impact of statistical significance of the leadership style on the financial performance. Emerge from it three secondary hypothesis:

1- There is an impact of statistical significance of the authoritarian leadership on the financial performance.

2- There is an impact of statistical significance of the transactional leadership on the financial performance.

3- There is an impact of statistical significance of the transformational leadership on the financial performance.

Third Hypothesis: There is an impact of statistical significance of the leadership style on the financial performance through alignment. Emerge from it three secondary hypothesis:

1- There is an impact of statistical significance of the authoritarian leadership on the financial performance through alignment.

2- There is an impact of statistical significance of the transactional leadership on the financial performance through alignment.

3- There is an impact of statistical significance of the transformational leadership on the financial performance through alignment.

Fourth Hypothesis: There is an impact of statistical significance of the strategic alignment on the financial performance. Emerge from it six secondary hypothesis:

1- There is an impact of statistical significance for the dimension of communication on the financial performance.

2- There is an impact of statistical significance for the dimension of competitiveness on the financial performance.

3- There is an impact of statistical significance for the dimension of governance on the financial performance.

4- There is an impact of statistical significance for the dimension of partnership on the financial performance.

5- There is an impact of statistical significance for the dimension of technological scope on the financial performance.

6- There is an impact of statistical significance for the dimension of skills on the financial performance.

12- Hypothesis's test & results analysis:

This study aimed to test the impact of the leadership styles on the financial performance through the strategic alignment in the registered Jordanian insurance companies at Amman financial market up to the year 2015. Depending on that, we had tested the model through analyzing the partial relationships that create the primary variables for the aim of identifying the total relationships which explain the strength or the degree of the model. The following will display the results of analysis for the hypothesis that we had formulated according to the study model:

First: 1<sup>st</sup> primary hypothesis: There is an impact of statistical significance of the leadership style on the level of strategic alignment in the Jordanian insurance companies. We divided this primary hypothesis to three secondary hypotheses for the aim of arriving to a total test of it which represent the general approaches for the followed leadership styles in the Jordanian insurance companies, and they are as follow:

1- First secondary hypothesis: - "There is an impact of statistical significance of the authoritarian leadership on the level of alignment". Through table number (5) which showed the existence of a weak positive correlation of statistical significance at level  $(0.05 \geq \alpha)$  amount to (0.31) between the level of authoritarian leadership and the level of alignment, which refer to the acceptance of this hypothesis.

2- Second secondary hypothesis: - "There is an impact of statistical significance of the transactional leadership on the level of alignment". Through table number (5) which showed the existence of a weak positive correlation not of statistical significance at level  $(0.05 \geq \alpha)$  amount to (0.25) between the level of transactional leadership and the level of alignment, which refer to the rejection of this hypothesis.

3- Third secondary hypothesis: - "There is an impact of statistical significance of the transformational leadership on the level of alignment". Through table number (5) which showed the existence of a weak positive correlation of statistical significance at level  $(0.05 \geq \alpha)$  amount to (0.17) between the level of transformational leadership and the level of alignment, which refer to the acceptance of this hypothesis.

Table (5) shows the correlation factor for the variable of leadership styles

The number	Secondary variables	Beta	T	The significance	R	F	The significance
1	Authoritarian leadership	0.31	1.01	Significance	0.39	4.72	Significance
2	Transactional leadership	0.25	0.29	Not Significance			
3	Transformational leadership	0.17	2.58	Significance			

Through table number (5) which showed the existence of a weak positive correlation of statistical significance at level  $(0.05 \geq \alpha)$  amount to (0.39) between the variable of management

leadership styles, and the level of alignment, in which the value of F amount to (4.72) and this significance level refer to the acceptance of this hypothesis.

Second: 2<sup>nd</sup> primary hypothesis: There is an impact of statistical significance of the leadership styles on the level of financial performance in the Jordanian insurance companies. We divided this primary hypothesis to three secondary hypotheses for the aim of arriving to a total test of it, which represent the general approaches for the followed leadership styles in the Jordanian insurance companies, and they are as follow:

1- First secondary hypothesis: - "There is an impact of statistical significance of the authoritarian leadership on the financial performance". Through table number (6) which showed the existence of a weak positive correlation of statistical significance at level ( $0.05 \geq \alpha$ ) amount to (0.25) between the level of authoritarian leadership and the financial performance, which refer to the acceptance of this hypothesis.

2- Second secondary hypothesis: - "There is an impact of statistical significance of the transactional leadership level on the financial performance". Through table number (6) which showed the existence of a weak negative correlation not of statistical significance at level ( $0.05 \geq \alpha$ ) amount to (0.14) between the level of transactional leadership and the financial performance, which refer to the rejection of this hypothesis.

3- Third secondary hypothesis: - "There is an impact of statistical significance of the transformational leadership level on the financial performance". Through table number (6) which showed the existence of a weak negative correlation of statistical significance at level ( $0.05 \geq \alpha$ ) amount to (- 0.19) between the level of transformational leadership and the financial performance, which refer to the acceptance of this hypothesis.

Table (6) shows the correlation factor for the variable of leadership styles

The number	Secondary variables	Beta	T	The significance	R	F	The significance
1	Authoritarian leadership	0.25	3.32	Significance	0.33	2.38	Significance
2	Transactional leadership	0.14	1.21	Not significance			
3	Transformational leadership	-0.19	3.16-	Significance			

Through table number (6) which showed the existence of a weak positive correlation of statistical significance at level ( $0.05 \geq \alpha$ ) amount to (0.33) between the variable of management leadership styles, and the financial performance, in which the value of F amount to (2.38) and this significance level refer to the acceptance of this hypothesis. This result came to be fitting with the results of some of the previous studies which stress on the finding of an impact for leadership styles on the financial performance (Ralph Adler & Jonathan Reid, 2008).



Third: 3<sup>rd</sup> primary hypothesis: There is an impact of statistical significance of the strategic alignment on the financial performance in the Jordanian insurance companies. We divided this primary hypothesis to six secondary hypotheses for the aim of arriving to a total test of it, which represent the general approaches for the followed strategic alignment in the Jordanian insurance companies, and they are as follow:

1- First secondary hypothesis: - "There is an impact of statistical significance for the level of communication on the financial performance". Through table number (7) which showed the existence of a weak negative correlation of non statistical significance at level ( $0.05 \geq \alpha$ ) amount to (-0.16) between the level of communication and the financial performance, which refer to the rejection of this hypothesis.

2- Second secondary hypothesis: - "There is an impact of statistical significance for the competitiveness level on the financial performance". Through table number (7) which showed the existence of a weak positive correlation of statistical significance at level ( $0.05 \geq \alpha$ ) amount to (-0.19) between the level of competitiveness and the financial performance, which refer to the acceptance of this hypothesis.

3- Third secondary hypothesis: - "There is an impact of statistical significance for the governance level on the financial performance". Through table number (7) which showed the existence of a weak positive correlation of non statistical significance at level ( $0.05 \geq \alpha$ ) amount to (0.20) between the level of governance and the financial performance, which refer to the rejection of this hypothesis.

4- Fourth secondary hypothesis: - "There is an impact of statistical significance for the level of partnership on the financial performance". Through table number (7) which showed the existence of a medium positive correlation of statistical significance at level ( $0.05 \geq \alpha$ ) amount to (0.65) between the level of partnership and the financial performance, which refer to the acceptance of this hypothesis.

5- Fifth secondary hypothesis: - "There is an impact of statistical significance for the technical scope on the financial performance". Through table number (7) which showed the existence of a weak positive correlation of statistical significance at level ( $0.05 \geq \alpha$ ) amount to (0.34) between technical scope and the financial performance, which refer to the acceptance of this hypothesis.

3- Sixth secondary hypothesis: - "There is an impact of statistical significance for the skills level on the financial performance". Through table number (7) which showed the existence of a weak positive correlation of non statistical significance at level ( $0.05 \geq \alpha$ ) amount to (0.24) between the level of skills and the financial performance, which refer to the rejection of this hypothesis.

Through table number (7) which showed the existence of a medium positive correlation of statistical significance at level ( $0.05 \geq \alpha$ ) amount to (0.33) between the variable of strategic alignment and the financial performance, in which the value of F amount to (5.12) and this significance level refer to the acceptance of this hypothesis. This result came to be fitting with the results of some researchers (Sabherwal & Chan, 2001; Floyed & Wooldridge, 1990). Through what we just done with, it showed that all the previous primary hypothesis were accepted at a level of significance equal to ( $0.05 \geq \alpha$ ), and this what assure the variables impact

of organism characteristic on the level of alignment in which the Jordanian insurance organisms arrive to.

Table (7) shows the correlation factor for the variable of alignment levels

The number	Secondary variables	Beta	T	The significance	R	F	The significance
1	Communication level	-0.16	-0.67	Non significance	0.33	5.12	Significance
2	Competitiveness level	0.19-	-0.32	Non significance			
3	Governance level	0.20	0.31	Non Significance			
4	Partnership level	0.65	2.15	Significance			
5	Technical scope	0.34	2.38	Significance			
6	Skills level	0.24	1.43	Non significance			

Fourth: 4<sup>th</sup> primary hypothesis: There is an impact of statistical significance of the leadership style on the organizational performance through the alignment in the registered Jordanian insurance companies at Amman financial market. We divided this primary hypothesis to three secondary hypotheses for the aim of arriving to a total test of it which represent the general approaches for the dimensions of organizational structure, and they are as follow:

1- First secondary hypothesis: - "There is an impact of statistical significance of the authoritarian leadership on the organizational performance". Through table number (8) which showed the F-value at (2.587) and freedom levels at (6) which consider a statistical significance at level ( $0.05 \geq \alpha$ ), which refer to the acceptance of this hypothesis.

2- Second secondary hypothesis: - "There is an impact of statistical significance of the transactional leadership on the organizational performance". Through table number (8) which showed the F-value at (3.465) and freedom levels at (9) which consider a statistical significance at level ( $0.05 \geq \alpha$ ), which refer to the acceptance of this hypothesis.

3- Third secondary hypothesis: - "There is an impact of statistical significance of the transformational leadership on the organizational performance". Through table number (8) which showed the F-value at (2.713) and the freedom levels at (8) which consider a statistical significance at level ( $0.05 \geq \alpha$ ), which refer to the acceptance of this hypothesis.

Table (8) shows the variance analysis factors of single variable for leadership styles on the financial performance:

The number	Leadership styles.. Alignment.. Financial performance	F	Freedom degrees	The significance
1	the authoritarian leadership	2.587	6	significance
2	The transactional leadership	3.465	9	significance
3	The transformational leadership	2.713	8	significance
	The leadership styles	1.112	15	non-significance

Through table number (8) which showed the primary hypothesis as referring to the existence of an impact that is statistically significance for leadership styles on the organizational performance through alignment in the Jordanian insurance companies, it is non- statistically significance in which the value of F amount to (1.112) and the freedom levels at (15), and according to that will reject the hypothesis at level of significance less than (0.05), and this will agree with the results of some studies which ensure the relationship between the management leadership styles and performance to be indirect relationship (Ralph Adler & Jonathan Reid, 2008).

**13- The results:**

The results that the study arrived to will be displayed depending on the data which had been collected from the study sample, and analyzed for the goal of arriving to a knowledge that we can benefit from in developing the current situation in the Jordanian insurance companies. It will also display the recommendations related to the study subject according to the results we arrived to after analyzing the study model, and introduce some of the suggestions and recommendations:

First: the study arrived to several results related to implementing the study on the Jordanian insurance companies sector, and they are:

1- As related to the level of alignment in the Jordanian insurance companies organisms, it showed the possibility of arriving to a high alignment level amount to (18) companies at a percentage of (64%), (9) companies with a medium alignment level at a percentage of (32%), and left only (1) company with a low alignment level at a percentage of (4%).

2- Analysis results for the leadership roles came to point out the approach of the Jordanian insurance companies' organism to be medium for the use of the three known leadership principles which are transformational, authoritarian, and transactional. This sector does not trend to practice one of those roles or the other in a big or independent way.

3- As related to the available level of alignment in the Jordanian insurance companies' organism, it showed that the dimensions of communication advert to the executive management in the organisms and in information technology to own a good understanding of the situation and the reality of each other. The communication process gets done in both

directions from the different departments to the information technology department, and vice versa, and it have the official and the non flexible form. It showed the existence of structure to share the knowledge that intend for a main positions and processes only. It also showed the level of competitive alignment as referring to the use of the traditional financial standards in measuring the efficiency, the dependency on an official system to benefit from the feedback, and they do stress on the revision process and the evaluation regularly. The study refer to the governance level as using strategic planning process, and taking on an official shape on the functional units level with little participation of information technology, but in the opposite to that, the planning process for the technology is an official one with little participation of the different business units, and also the dealing with information technology budget as a center for cost, and the taking into account the expected benefits for the organism from the spending process. As related to the level of partnership, it showed an existence of an official and regular guiding committees that work on improving the effectiveness, and also look to information technology department as a primary content for any future work, and this department consider a primary force for business, and they manage the relationship between the different departments in a simple form. As related to the technological scope, it showed that information technology department headed to the process of reorganizing at work, and that the conjunction and the obedience for the information technology standards are strong and clear on the business units level with ensuring that information technology architecture connected for the different business units level, and ensuring also that the changing process at work or in information technology mostly is clear on the functional level. As related to the skills level, it refer to dealing with information technology infrastructure flexibility on the basis of requirement for business strategy, and that the organism is strongly encourage the support of innovated projects on the functional units level, that the important information technology decisions take place in the higher level management with the participation of the specialize department, and also that the arithmetic mean refer to the organism readiness for the changing process through the availability of training programs which provide employees with the skills necessary to implement the changing process, and that the linkage process between the different departments happens continuously, and usually done on the functional units level. As related to the primary variable, it showed the existence of medium level of alignment in this sector.

4- As related to the variable of financial performance, it showed that the profitability level refer to a medium level compared with the competitive companies in the insurance sector, and the study also refer to a medium growing level compared with the competitive companies in the sector.

Second: The study arrived to several results related to implementing the study model test on the Jordanian insurance companies sector, and they are: 1- There is an impact of statistical significance of the leadership styles represented in (authoritarian leadership, transactional leadership, and transformational leadership) on the level of alignment in the Jordanian insurance companies.

2- There is an impact of statistical significance of the leadership styles represented in (authoritarian leadership, transactional leadership, and transformational leadership) on the level of financial performance in the Jordanian insurance companies.

3- There is an impact of statistical significance of the level of alignment represented in (the communication level, the competitiveness level, the governance level, the partnership level, technical scope, the skills level) on the level of financial performance in the Jordanian insurance companies.

4- There is no impact of statistical significance of the leadership styles represented in (authoritarian leadership, transactional leadership, and transformational leadership) on the level of organizational performance in the Jordanian insurance companies.

#### **14- Recommendations:-**

Depending on displaying the results and recommendations of the previous studies and what science field provide in the study scope and the implementing of the results of the study hypothesis, and variables analysis; the study introduce the following recommendations for the Jordanian insurance sector:-

First: work on adopting a leadership styles that help in improving the level of financial performance through increasing the authoritarian dimension level in leadership, and increasing the dependency on the transformational leadership style in the insurance companies. Work on improving the alignment level through fostering the transformational and authoritarian leadership styles. Second: work on improving the alignment level between the organizational dimensions and the strategic approaches for information technology for the goal of fostering the financial performance through concentrating on the partnership level between the organism and the information technology and strengthen the technical level that is going by in the information technology department. Third: The study stress on the importunacy of following a strategy for information technology which has a clear guidelines that will be developed by the participation of all organizational departments taking into account in it, the fostering of the organizational performance level through improving the alignment level between all the departments, and it is also require to improve the level of coordination and communication between the different organizational departments and the environment through the use of technological systems to serve this purpose; such as, the use of marketing systems and decision support systems in the Jordanian insurance companies. Fourth: The study stress on the importunacy to restudy the different organizational dimensions in fostering the organizational performance through the use of different measurements for variables that aim to boost up the research work in this field, and also stress on the importunacy of restudying this research model through other approaches to ensure the results of this study. Fifth: work on implementing the practical study model on the different financial sectors, and on all of the organizational levels. It is also require performing a comparison studied between the different financial sectors in Jordan.

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