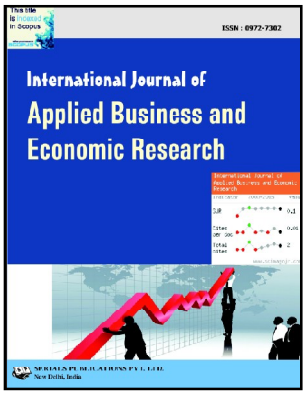

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Examining the Relationship between Accounting Performance and Business Re-engineering in Insurance Companies Listed on the Amman Stock Exchange

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Abstract: This paper collected primary and secondary data from insurance companies listed on the Amman Stock Exchange in-order to examine the impact of business re-engineering on performance. The primary data was sourced through questionnaires, exploratory field visits, as well as interview with managements of relevant companies.

The limitation of this work is that it utilized the nonparametric analysis due to the sample size. Its main findings are that the re-engineering of company operations lead to the strengthening of the competitive position, increase in the marketing share, increase production, efficiency, and cost reduction.

Keywords: Business Process, Business Process Re-engineering (BPR), Company Performance, Information Technology and Evaluation Process.

1. INTRODUCTION

It is argued that globalization as well as technological advancement, have to the extent; rendered traditional management accounting systems inadequate. This could that the traditional management accounting systems had not been designed to take into account these major disruptions.

Modern management techniques recently designed has sort to address the shortcomings of the traditional management accounting systems. Architects of these techniques advances the view that they lead to the increased productivity. In other words, they re-engineer the business.

In view of the changing economic fortunes, increased competition, globalization and information technology amongst other factors, most businesses across the globe have sort to adopt the modern techniques. In addition to this, Aregbeyen (2011) point to the customer needs, choices, preferences and awareness as additional factors that have also led to the rapid changes.

External market forces have led to the new thinking by corporate managers. This new thinking, Adeyemi and Aremu (2008) has led to a better and more effective way of doing business, resulting in more profits and low cost. Moloi (2014, 2015a+b+c+d & 2016a+b) refers to this as the linkages of risks to the company strategy i.e. re-engineering threats and opportunities to link with the strategy.

Adeyemi and Aremu (2008) agree with Moloi (2014, 2015a+b+c+d & 2016a+b) and they term this process the 'business process re-engineering'. Accordingly, the business process re-engineering could be described as a process that aims at redesigning and changing the existing business practices or process to achieve dramatic improvement in organizational performance.

Business process re-engineering is a necessity, particularly in a volatile global world. Therefore, Adeyemi and Aremu (2008) suggest that by radically redesigning selected processes, businesses could enhance their competitive advantage, thus giving them a chance to be a going concern.

Qaryouti (2000) citing Michael Hammer and James Champy views business re-engineering as an 'approach to development of organizations focusing on radical change of strategic operations, value-added, systems, policies and organizational structures in order to develop businesses, increase productivity and customer satisfaction'

Having discussed the concept of business engineering and its potential benefits, particularly in the changing environment, this study aimed at:

- Gauging the support management has in implementing the concept of re-engineering in insurance companies listed on the Amman Stock Exchange;
- Understanding the resourcing requirements for the application of process re-engineering to be successful in the insurance companies listed on the Amman Stock Exchange; and
- Measuring the application of business re-engineering processes and its impact on the financial performance of insurance companies listed at the Amman Stock Exchange

In Jordan, it has been observed that many companies still do not realize the importance of the business re-engineering concept despite the listed benefits. With the selected sample of insurance companies listed on the Amman Stock Exchange, this paper seeks to gauge whether:

- Management of listed Jordanian insurance companies support the application of the concept of business re-engineering;
- Management has, in its disposal; all the resource requirements for the successful implementation of business re-engineering process; and
- Management has recently applied the business re-engineering concept and the performance implication of this.

Therefore, our hypothesis are stated below as follows:

Ho_1: The managements of insurance companies listed at the ASE does not support the application of the concept of business re-engineering.

Ho_2: The requirements of concept of business re-engineering are not available in the Jordanian insurance companies listed at the ASE.

Ho_3: The concept of business re-engineering has not applied in insurance companies listed at the ASE.

Ho_4: There are no statistically significant relationship trends in the study sample towards the response of managements and support the application of the concept of business re-engineering.

Ho_5: There are no statistically significant relationship trends in the study sample about the availability of requirements of the concept of business re-engineering.

Ho_6: There are no statistically significant relationship trends in the study sample about the impact of the application of the concept re-engineering for financial performance in the Jordanian insurance companies listed at the ASE.

2. REVIEW OF RELATED LITERATURE

Hamza (2015) focused on the attitudes of the industrial companies towards the implementation of business process re-engineering. In this study, Hamza (2015) considered three factors as measures of the attitude, namely; the efforts the companies have made in implementing the business re-engineering concept, the resourcing requirements and resources availability to successfully implement the concept, and the impact implementing the business re-engineering concept on the performance of the selected companies.

Alaleaoi (2013) studied the possibility of implementing the business re-engineering process in the General Steel companies operating in the Iraqi capital of Baghdad. The ultimate aim of Alaleaoi (2013) was stated as to develop a methodology that could be applied as the 'entrance' process towards re-engineering. This, it was argued that it had a potential to enable these companies to raise their efficiency, effectiveness and capacity.

Habib (2013) sought to understand the critical success and failure factors of business engineering process. In his conclusion, he argues that for the companies to make success of the business engineering, they would firstly need to identify the tasks that are:

- Unnecessary,
- Causing delay and inefficiency, as well as
- The identification of areas and jobs that can be reengineered with the help of developed and up to date technology.

On the basis of this, Habib (2013) asserted that the BPR provides roadmap to achieve organizational goals that results in profit optimization and productivity enhancement. On his part, Damanhouri (2013) examined the relationship between the application of process re-engineering and some of the factors affecting the application in the Saudi Arabian Airlines. The conclusion was that most factors affecting the application of the BPR in the Saudi Arabian Airlines, chiefly; included the commitment of senior management programs, re-engineering, organizational change, and organizational culture.

Kassahun (2012) deviated from the norm and studied the impact of the application of business re-engineering in the performance of public sector organizations. This was studied in the context of economic growth. With this, Kassahun (2012) had sought to develop a conceptual framework linking the re-engineering and performance of public sector organizations and then pilot testing of this framework.

In Africa, Aregbeyen (2011) studied the BPR using First Bank Nigeria as a case in point. Using paired data samples between 1986 and 2008, Aregbeyen (2011) study evaluated the impact of the re-engineering of operational processes on the performance of the First Bank Nigeria Plc. Growth, profitability and the extent of financial intermediation was used a proxy of performance.

Mahmoud (2007) applied the BPR in Wasit Company for Textile Industries as one of the Iraqi industrial sector organizations. His study aimed at identifying the importance of re-design functions and processes, and improve performance levels and lower levels of oversight and improve communication systems. It further aimed at determining the impact of the redesign of jobs, processes and improve performance levels and lower levels of oversight and improve communication systems in achieving competitive advantage for the organization in Iraq.

Through a review of previous studies, there are different themes. the researchers find that this study converge with previous studies in that many companies have found that it may be the concept of re-engineering the business has an important role in achieving a competitive edge. While this study differs from previous studies in being, will look at several aspects related to the application of the concept of re-engineering business in insurance companies.

2.1. The concept of re-engineering of business

Hamza (2015) describes the BPR as a process involving the 'redesign of the rapid and radical administrative processes strategic and value-added (core) as well as the systems, policies and organizational structures in order to maximize support workflows and increase productivity in the organization are uncanny'.

For Kelada (2004), the BPR process is defined as "a revolutionary change in the organization's way of thinking, and thus the performance of things, which is synonymous with innovation".

According to Venkatraman (1994), the concept of re-engineering the business is viewed as "the work of the organization necessary to restructure their internal operations in order to improve the distribution of the product and improve the performance of delivery to the customer'.

Dessler (2011) note that, what is meant by re-engineering is the're-basic thinking and re-radical design of the operations with a view to achieve the super-substantial improvements in the performance criteria (cost, quality, service and speed)'. Whereas O'Neill and Amrik, (1999) are of the view that business re-engineering involves the 're-structure for both the organization and the organizational operations and information systems to achieve radical improvements for each of the time, cost and everything related to goods and services provided to the client'.

From the descriptions provided in the preceding paragraph, the following was deducted:

- Business re-engineering is an approach to a quick and substantial improvement in the performance aspects. It includes reducing the stages, the time, cost of operations and increase revenue or added value as well as, identify competitive prices based on the cost structure of acceptable and rational.

- Business re-engineering is a tool to deal with organizations that have deteriorating situation, in order to save them by re-engineering their operations, and that expect to manage the attainment organizational decline in the near future.
- Re-engineering constitutes a strategic to meet the environmental variables of each organization, which are looking for efficiency, effectiveness and maintain survive (Hamza, 2015).

Digna (2013) proposed that the business re-engineering process should be aimed at the following:

- Getting rid of the old routine (strict style of work) and convert to freedom and flexibility.
- Reduction in cost.
- Change the manner of work of individuals from closely control and supervision applied on them, to accept the work with more powers and assume the responsibilities.
- Achieving high quality in performance.
- Providing fast and exceptional service.
- Having more integration and interdependence between the components of a single process.

Having indicated this Hamza (2015) warns that it is important to note that the re-engineering targets vary from one organization to another and according to the circumstances of each organization. The status of work on them, as these goals differ per organization from time to time, and according to their exposure to certain crisis work or if the organization is working on the development of systems on a permanent basis.

2.2. The characteristics and basic elements of the concept of re-engineering of business

Qasimi (2009) highlights a certain number of characteristics that distinguish the most important business re-engineering, and these are:

- Radical redesign of administrative processes;
- Essential use of information and communication technology as assistant evaluation in re-engineering project; and
- Focus on achieving strategic objectives and results.

For Ahlam (2012), there are four factors that explains the BPR process and those are:

- Fundamental: any re-engineering that starting from scratch, without any assumptions or constants established prior focusing on what should be and what is neglect.
- Radical: any change from the roots and not superficial or cosmetic change or apparent to the status quo, to get rid of any old situation once and find new and modern methods to perform the work, any sense of innovation and not an amendment.
- Dramatic: any re-engineering that aims to achieve a huge results in rates and superior performance.
- Operations: any set of activities that include inputs that produce outputs that have value for customers, and this is what distinguishes re-engineering as the focus on the systems work or what is known as the main operations of the organizations.

2.3. Requirements & advantages of application the concept of business re-engineering

Applying the concept of re-engineering in organizations require them to work to create the conditions necessary and appropriate in order to achieve satisfactory results and effective. Therefore, a set of requirements have to be for these organizations to interact with each other in order to apply this concept successfully in it. These requirements include the following (Alaleaoi, 2013):

- A comprehensive assessment of the organization's environment and internal and external identification of opportunities and threats.
- Customizing the executive director of the re-engineering and work teams from within the organization.
- To be available and pledged the commitment and support unlimited by senior management of the organization to embrace the concept of re-engineering to bring about the desired change and development.
- Clarity of vision, and the overall strategy of the organization and business strategy.
- Goal performance setting ambitious business re-engineering.
- Direct re-engineering, starting from the top of the organization.
- Full integration of human resources and information technology.
- Do not neglect the prevailing organizational culture and adapted to the culture of re-engineering of the organization.
- Determine the length of time to carry out the re-engineering and abide by them
- Involve all employees in the organization process re-engineering and work on their training.

Further on the above, Alaleaoi (2013) is of the view that there are many advantages that can achieved from applying the concept of re-engineering in the company, with the most important ones being the following:

- Improvement in the organization's performance in the long and short-term by improving productivity and improve customer service and to diversify the products or services.
- Increasing the customer satisfaction on products and services higher than achieved by products and services for competitors.
- Reduction of the time of delivery of products and services and reduce the response time to the requirements of the market and reduce development and manufacture of product cycle time.
- Improvement in the level of knowledge and use in the organization.
- Achievement of the accurate description of the core operations necessary to achieve the business strategy.
- Reduction in costs and improvement in the quality of the products.
- Change in the culture of the organization.
- Avoidance of unnecessary activities that do not add value to the customer.

2.4. Business re-engineering and organizational performance

Aregbeyen (2011) indicates that the organizational performance is the measure of how efficient and effective an organization is. In other words, it is a measure of how well an organization achieves its set objectives. Ordinarily, it is accepted that the major objective of most business organizations is profit maximization or cost minimization. Other objectives of a company could also include growth, sales maximization, increase in market share, improved productivity in terms of better quality and higher quantity of goods and services, customer satisfaction, individual enhancement and organizational development and change, etc.

Sharma (2006) posited that, business process re-engineering implies transformed processes that together form a component of a larger system aimed at enabling organization to empower themselves with contemporary technologies business solution and innovations. Organizational effective performance has become a watchword in modern business; as a result, there are inexorable pressure for BPR.

Ozcelik (2010) examines whether implementation of Business Process Reengineering (BPR) projects improve firm performance by analyzing a comprehensive data set on large firms in the United States. The performance measures utilized in this paper are labor productivity, return on assets and return on equity. Ozcelik (2010) findings are that firm performance increases after the BPR projects have finalized while it remains unaffected during execution. Ozcelik (2010) further found that functionally focused BPR projects on average contribute more to performance than those with a broader cross-functional scope. This has interpreted as a likely indication that potential failure risk of BPR projects may increase beyond a certain level of scope.

Finally, Altinkemer *et al* (2011) empirically investigated whether BPR is associated with enhanced firm productivity and overall performance. They analyze firm-level panel data of large U.S. firms in the Fortune 500 list that covers the period between 1987 and 2008 using fixed effects and first differencing which are standard methods to account for unobservable firm-level effects. The researchers employ standard variables for measuring firm productivity and performance. They reportedly find that one of the used key performance variables, return on assets, drops significantly during the project initiation year. According to fixed effects results, the performance and productivity measures improve (in a decreasing manner) after project initiation. It was also reported that enterprise-wide BPR projects are associated with more negative returns during project initiation. However, there is no clear evidence about their superiority over functionally focused BPR projects in terms of performance improvements after project initiation. They opined that this might be because grand projects are risky and sometimes lead to grand failures.

3. RESEARCH PROCESS

3.1. Instrument design

Researchers used the field survey of Jordanian insurance companies, to study the concept of business re-engineering. To conduct a survey, an instrument was required for the purpose of this, and thus researchers prepared a questionnaire, which included all aspects of the study and its hypothesis.

3.2. Validity and fairness

Following the questionnaire design, so that researchers were certain that valid, the questionnaire was subjected to test the honesty validity in order to ensure that the measurement tool to measure precisely and clearly

defined concept and not any other concept. In this regard, the questionnaire was presented to a group of arbitrators, professors in scientific methodology, and in management science in general, and some practitioners, providing them with the problem that is being investigated.

3.3. Variables and their measurement

The study variables consist of both the dependent variable (financial performance of the company) and the independent variables (management support, resource availability requirements, and the application of re-engineering processes).

Dependent variable: the financial performance of the company.

The company's financial performance by measuring the return on assets of the company and extracted from the companies in the ASE guide

Independent variables

- Management support in companies applying the BPR. Measured by questions (1-7).
- 2- The availability of the concept of re-engineering the business requirements. Measured by questions (8-14).
- The application of the concept of re-engineering the business. Measured by questions (15-23).

3.4. Study instrument scale

Five points Likert scale was selected. The Likert scale is one of the most metrics used to measure the opinions and responses, due to its ease of understanding. The scale was described as follows:

Strongly Disagree	*Disagree*	*Not sure*	*Agree*	*Strongly Agree*
1	2	3	4	5

3.5. Sampling

The study population consisted of all insurance companies listed at Amman Stock Exchange. Currently, there are 16 insurance companies in the ASE. Questionnaires were administered to each of the following individuals in the selected companies

- Quality manager;
- Quality control manager;
- Production manager; and
- Chief Financial Officer/ Financial manager.

In total, there were 48 questionnaires that were distributed to the respondent. The response rate was 68%. The whole 68% was statistically analysed.

The averages were determined for the purposes of the study as follows:

- 4.25-5 – deemed to be indicating a very high degree,
- 3.50-4.24 – deemed to be indicating a high degree,

- 2.75-3.49 – deemed to be indicating a medium degree,
- 2-2.74 – deemed to be indicating the low degree, and
- less than 2 – deemed to be indicating a very low degree.

4. FINDINGS

The following result represent the findings of the study

Table 1
Description of the characteristics of the study sample of managers

Descriptive	*Number*	*Distribution*	
Sex	31	Male	92%
	3	Female	8%
Scientific Specialization	0	Secondary or less	0%
	3	Diploma	8%
	26	University degree	77%
	5	Postgraduate	15%
Job Title	9	Quality Manager	26%
	10	Quality Control	29%
	8	Production Manager	24%
	7	Financial Manager	21%

4.1. Statistical Techniques

Researchers opted to use the following statistical methods for the purpose of analysing and interpreting the results:

- **Cronbach's alpha coefficient:** This is used to test the reliability. In other words, it used to test internal consistencies in the questionnaire.
- **Frequencies and percentages:** This is used to identify the characteristics of the study sample in insurance companies listed on the ASE.
- **Mean:** This is used to identify the level of severity of the answer to the sample of the study in industrial companies at ASE.
- **Standard deviation:** This is used to determine the dispersion of the study sample answers from the values of the arithmetic average.
- **T Test:** This is used to assess the ability to accept or reject the research hypotheses by comparing (T) calculated with a significance level (0.05), taking into account that the number of sample did not exceed (34) respondents.
- **Simple regression test**: Simple Regression and regression analysis variance (ANOVA) is used to measure the impact of independent variables on the dependent variable.

4.2. Test the validity and reliability of the tool

To ensure the internal consistency of the questionnaire questions and verification of constancy, the test; Cronbach-Alpha as the reliability coefficient was used. Calculated using this test, results demonstrate the stability and consistency.In applying the test Cronbach-Alpha to Questions that measure the variables of the study the alpha value yielded was 0.9397, and this shows that the questions closely linked to high and that there is a high degree of stability to all the questions.

The following table shows the results of the application of the alpha coefficient to study questions. Relating to the measurement of the extent of the support managements of insurance companies listed at ASE applying the concept of business re-engineering, the availability requirements and the extent of the application of the concept of re-engineering business in these companies.

Table 2
Result of the Cronbach's alpha coefficient

Variables	*No. of Items*	*Alpha*
All Questions	1-23	0.9397
Support managements to the concept of business reengineering.	1-7	0.9211
Availability of requirements to the concept of business reengineering.	8-14	0.9135
Application to the concept of reengineering.	15-23	0.8956

The following results describing the minimum, maximum, mean and the standard deviation were obtained by using the SPSS software.

Table 3
Descriptive statistics variables of the study

	N	*Min*	*Max*	*Mean*	*SD*
Support managements to the concept of business reengineering.	34	0.4286	0.8857	0.6899	0.08
Availability of requirements to the concept of business reengineering.	34	0.4876	0.9345	0.7456	0.15
Application to the concept of reengineering.	34	0.6583	0.9435	0.8743	0.2

Table 4 below demonstrate the obtained results for the purpose of testing the stated hypotheses.

Table 4
Testing the hypotheses of the study

	T	*DF*	*Significant (2-tailed)*
Extent of support managements to the concept of business reengineering.	14.818	33	0.005
Extent of availability of requirements to the concept of business reengineering.	8.351	33	0.014
Extent of application to the concept of business reengineering.	5.196	33	0.035

First hypothesis: ***The managements of insurance companies listed at ASE does not support the application of the concept of business re-engineering.***

Here, researchers measured support managements of insurance companies listed at ASE for the application of the concept of re-engineering business by questions from 1-7 in the questionnaire. Support was calculated by using the following equation:

Extent of support = [Total values of the answers to the questions (1-7) of the questionnaire / (number of questions × 5)] × 100

Through table (3), it is noted that extent of management support in insurance companies to apply the concept of business re-engineering is 68.99%, which is a medium degree. There was a discrepancy between the extent of support management in insurance companies for the concept of business re-engineering, where the highest value of 88.57% and the lowest value 42.86%.

Our first hypothesis was tested by using the One Sample T-test. The value of P-value sig. = 0.005, is noticeable less than the value of significance level á = 0.05. Therefore, we reject the hypothesis of nihilism and accept the alternative hypothesis, namely that the insurance companies management listed at ASE support the concept of business re-engineering.

Second hypothesis: ***Resourcing requirements are not available to the concept of business re-engineering in insurance companies listed at ASE.***

In this hypothesis, researchers sought to observe the resourcing requirements in-order to support the concept of business re-engineering in insurance companies listed on ASE using questions 8-14 in the designed questionnaire. The resourcing requirement was calculated by using the following equation:

Extent of resource availability = [Total values of the answers to the questions (8-14) of the questionnaire / (number of questions × 5)] × 100

In Table 3, it was noted that extend of availability of requirements for business re-engineering in insurance companies listed at ASE is 74.56%, which is a good degree. There was a discrepancy between insurance companies with regard to the extent of availability of resources aimed at supporting the concept of business re-engineering, where the highest value was placed at 93.45 % and the lowest value was recorded as 48.76%.

With regard to testing the hypothesis, it was noted that the value of P-value sig. = 0.014, which is less than the value of significance level α = 0.05. Therefore, the hypothesis of nihilism was rejected and the alternative hypothesis, namely the resourcing availability requirements for the purpose of supporting the concept of business re-engineering in insurance companies listed on the ASE was accepted.

Third hypothesis: ***Insurance companies listed on the Amman Stock Exchange do not apply the concept of business re-engineering.***

The researchers are measuring the application of the concept of business re-engineering in insurance companies listed at ASE by questions from 15-23 in the questioner of the study. It has calculated by using the following equation:

Extent of application = [Total values of the answers to the questions (15-23) of the questionnaire / (number of questions × 5)] × 100

Through Table (3), it was noted that extent in which business re-engineering is applied in insurance companies listed at ASE is 87.43%, which indicates a very good degree. A discrepancy was noted between insurance companies where the highest value 94.35 % and the lowest value of 65.83%.

With regard to testing the hypothesis, using One Sample T-test, it was noted that the value of P-value sig. = 0.035, which is less than the value of significance level á = 0.05. Therefore, the third hypothesis was rejected (the hypothesis of nihilism) and we accept the alternative hypothesis, which is, that insurance companies listed at ASE do apply the concept of business re-engineering.

Fourth hypothesis: ***There are no statistically significant relationship in the study sample that points to the relationship between the concept of business re-engineering and to the financial performance in the Jordanian insurance companies listed at ASE.***

Table
Regression analysis of variance table (ANOVA)

	Sum of Squares	*DF*	*Mean Square*	*F*	*Sig.*
Regression	856.506	1	856.506	25.490	0.000
Residual	436.828	33	33.602		
Total	1293.334	34			

The Table above demonstrates the relationship between the concept of re-engineering the business and financial performance in the Jordanian insurance companies listed on ASE. It is noted on the said Table that the value of P-value sig results. = 0.00, which is less than the significance level $\alpha = 0.05$ value. It is on this regard that this study rejects the hypothesis of nihilism and accept the alternative hypothesis, which is stated as that there is a relationship between business re-engineering and financial performance i.e. business re-engineering does affect the financial performance in Jordanian insurance companies listed on the ASE.

Fifth hypothesis: ***There are no statistically significant relationship trends in the study sample with regard to the availability of resource requirements supporting the concept of business re-engineering; to financial performance in Jordanian insurance companies listed at ASE***

In this hypothesis, the study tested the impact of the resource availability for the purpose of applying the concept of business re-engineering to the financial performance in the Jordanian insurance companies using simple regression method (Simple Regression) located in the SPSS program. The following results presented in Table 6 were obtained:

Table 6
Regression analysis of variance table (ANOVA)

	Sum of Squares	*DF*	*Mean Square*	*F*	*Sig.*
Regression	448.152	1	448.152	1.021	0.331
Residual	5708.011	33	439.078		
Total	6156.163	34			

The table above demonstrate the results of test to availability of requirements to apply the concept of re-engineering the business to financial performance in the Jordanian insurance companies listed on the ASE. As can be seen on Table 6, the value of P-value sig results. = 0.331, which is more than the significance level á = 0.05 value. This study therefore, rejects the hypothesis of nihilism and accept the alternative hypothesis, which is; availability of requirements for the concept of business re-engineering does not affect the financial performance in Jordanian insurance companies listed at ASE.

Sixth hypothesis: ***There are no statistically significant relationship trends in the study sample regarding the impact of the application of the concept re-engineering to financial performance in the Jordanian insurance companies listed on the ASE***

Here, the study tested the impact of application the concept of business re-engineering to the financial performance in the Jordanian insurance companies using simple regression method (Simple Regression) located in the SPSS program. The obtained results are presented in Table 7:

Table 7
Regression analysis of variance table (ANOVA)

	Sum of Squares	*DF*	*Mean Square*	*F*	*Sig.*
Regression	2308.902	1	2308.902	17.183	0.001
Residual	1746.831	33	439.078		
Total	4055.733	34			

Table 6 above shows result of test to the impact of application the concept of business re-engineering to the financial performance in the Jordanian insurance companies listed at ASE. It is clear on the Table that the value of P-value sig results. = 0.001, is less than the significance level á = 0.05 value. Therefore, this study rejects the hypothesis of nihilism and accept the alternative hypothesis, which states that the application of the concept of business re-engineering affect the financial performance in Jordanian insurance companies listed at ASE.

5. CONCLUSION AND RECOMMENDATIONS

This study has demonstrated that there is a statistically significant relationship between business re-engineering and financial performance. This established relationship, persuades us to recommend that other companies operating in Jordan and in different sectors should also be studied so as to expand the implementation of the concept of reengineering.

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