

## Uncertain Supply Chain Management

homepage: [www.GrowingScience.com/uscm](http://www.GrowingScience.com/uscm)**The impact of leadership styles on marketing effectiveness and financial performance in Jordanian banks sectors: Corporate social responsibility as a mediator****Raed Walid Al-Smadi<sup>a</sup>, Ibrahim Radwan Alnsour<sup>b</sup>, Khalid Faris Alomari<sup>c</sup>, Abd Al-Salam Ahmad Al-Hamad<sup>d</sup>, Mohammad Salameh Almasarweh<sup>e</sup>, Ahmad Yahiya Ahmad Bani ahmad<sup>f</sup> and Arkan Walid Al-Smadi<sup>g\*</sup>**<sup>a</sup>College of Business, Department of Finance Science, Amman Arab University, Amman, Jordan<sup>b</sup>Department of Finance and Banking Science, Irbid National University, Jordan<sup>c</sup>Faculty of Business, Department of Banking and Financial Technology, Ajloun National University, Jordan<sup>d</sup>Finance Instructor, Banking and Finance Department, Faculty of Business, Applied Science Private University, MEU Research Unit, Middle East University, Amman, Jordan<sup>e</sup>Associate Professor of Business Administration, Department of Business Administration, Faculty of Business, The University of Jordan - Aqaba Branch, Jordan<sup>f</sup>Finance and Accounting Science Department, Middle East University, Amman, Jordan<sup>g</sup>Department of Banking and Finance, Faculty of Business, Jearsh University, Jordan**ABSTRACT***Article history:*

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Human abilities are the primary factors that define the path of the corporation's improvement; these capabilities can be improved via training, experience, education, and innovation. Therefore, the current study delves into the impact of different leadership styles on marketing effectiveness and corporate financial performance through the role of corporate social responsibility as a mediator by utilizing a Partial Least Squares Structural Equation Modeling (PLS-SEM) to research 100 managers in 2023 in Jordanian banking sectors. The result of this study has shown a significant and positive relationship between leadership styles, marketing effectiveness, and financial performance. Furthermore, social responsibility, which is the mediator of the study, shows a significant role in the connection between leadership styles and marketing effectiveness as well as financial performance in banks. Minutely, this study found that transformational style promotes an innovation culture and inspires employees in the banking sector, in other words, this style of leadership emphasizes corporate social responsibility programs that support the bank and society's objectives.

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**1. Introduction**

In the modern-day business landscape, groups perform within unique environments characterized through speedy technological advancements, involvement with consumer wishes, and growing care of organizational social duty (Makhdoom et al., 2021). In this context, leadership styles play a vital function in shaping a firm's techniques, such as advertising and marketing and advertising and Marketing Effectiveness (MAE) and disclosure of Financial Performance (FIP) (Mitra, 2020). In addition to Company Social Responsibility (CSR), a crucial mechanism for the compatibility of business targets with societal necessities. Finding the complex hyperlink amongst leaders, CSR, marketing effectiveness, and FIP is necessary to overcome the obstacles of the banking sector and for sustainable banks' success (Ganzemiller et al., 2021). The banking enterprise is considered a key to economic improvement and financial balance. The challenges that the banks faced necessitated effective leadership to thrive in a competitive market (Parveen & Adeinat 2019). Furthermore, Leadership styles

\* Corresponding author

E-mail address [Arkan.smadi@jpu.edu.jo](mailto:Arkan.smadi@jpu.edu.jo) (A. W. Al-Smadi)

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including transformational and TRL have an impact on organizational tradition, worker engagement, and decision-making strategies. Moreover, leaders inside the banking industry are increasingly more predicted to illustrate a commitment to CSR, encompassing initiatives associated with environmental sustainability, social welfare, and ethical commercial enterprise practices (Ganzemiller et al., 2021).

Many scholars define marketing effectiveness as the ability to attract and satisfy customers, while also achieving organizational objectives, which are significantly linked to leadership behaviors and CSR initiatives (Mugwati & Bakunda, 2019 and Connor & Tynan, 1999). Effective leadership encourages a culture of innovation, customer centricity, and brand differentiation, which enhances marketing outcomes such as brand loyalty, market share, and customer lifetime value. Additionally, CSR initiatives contribute to marketing effectiveness by building brand reputation, building trust with stakeholders, and attracting socially conscious consumers who consider their purchasing decisions (Safiullah, et al., 2017).

Furthermore, the FIP of banks is influenced by leadership styles and CSR practices, evidenced by different studies such as (Haq & Awan, 2020) explained the impact on FIP such as profitability, return on equity, and shareholder value. Leaders who pay more attention to long-term sustainability, and stakeholder engagement, and use the standard of corporate governance are more able to achieve sustainable growth as will decrease risks related to the reputation of the banks, and regulatory auditing (Long et al., 2020).

However, the relationship between leadership, Corporate Social Responsibility (CSR), Financial Performance (FIP) and Marketing Effectiveness (MAE), is complex, requiring a comprehensive understanding of the underlying mechanisms and many factors that shape organizational outcomes (Alblooshi et al., 2021). Therefore, this study will investigate the effect of different leadership styles on marketing effectiveness (MAE) and Financial Performance (FIP) through the role of corporate social responsibility (CSR) as a Mediator in the Jordanian banking sector, comprising a collective team of 100 managers in 2023. As a result, by examining the relationships between these variables, we seek to provide clear insights into how leaders can leverage CSR as a strategic tool to enhance banks performance and create value for all stakeholders, the structure of this work is as follows. Review of the Literature and Research Hypothesis are described in Section 2. Presenting the research Methodology Sampling and Data Analysis is Section 3. The Results Analysis are described in Section 4. While Section 5 Showed the Conclusion and Recommendation for all study. Section 6 presented the Recommendations. and Future Research.

## **2. Literature Review and Research Hypothesis**

In this part of the review, we show the different relationship between leadership styles and CSR, FIP and MAE.

### *2.1. Leadership and Marketing Effectiveness*

Leadership styles consider an important role in shaping organizational culture, driving employee motivation, and impacting strategic decision-making processes within the banking sector. Effective leadership is essential for reinforcement innovation, customer interactions, and market competition, all are critical factors for achieving marketing effectiveness and sustainable competitive advantage (Abdullah et al., 2018).

Transformational leadership (TFL) characterized by vision, inspiration, and intellectual stimulation, has been widely recognized as a key driver of organizational innovation and performance in the banking sector. Several studies (Mohanty, & Chatterjee, 2017) have shown that leaders in the banking sector are adept at a future vision for achieving bank goals through encouraging employees, empowering employees to change, and reinforcing a culture of continuous improvement. By motivating them to exceed performance expectations and align their efforts with organizational goals (Al-Smadi, A and Al-Smadi, R. 2021). Furthermore, transformational leaders can improve advertising effectiveness in companies by promoting customers, innovating new ways, and service excellence (Valiyeva, & Thomas, 2022).

Empirical evidence indicates a high quality connection among TFL and marketing effectiveness within the banks in Jordan e.g. (Masa'deh et al., 2016) discovered that banks led by transformational leaders exhibited higher levels of consumer pleasure, their loyalty, and marketplace percentage as compared to different leadership. In addition to, Yin et al., (2020) showed that transformational style of the leaders is sensitive to focus on customer initiatives, including product innovation, exceptional reinforcement, and marketing strategies, which are play a primary function in gaining a competitive part within the exceedingly aggressive banking enterprise (Alsakarnef et al., 2023).

While transactional leadership (TRL) is characterized via worthwhile overall performance and this form of management additionally has an enormous effect on the effectiveness of advertising in the banking sector (Berkovich, & Eyal 2021 and Al-Smadi et al., 2023). TRL is concerned with establishing overall performance goals, monitoring the overall performance of staff, and giving rewards or sanctions for accomplishing mean results (Fraihat et al., 2023). Moreover, (Efianda, & Iswahyuni, 2021) explained that TRL might not have the equal inspiration or visionary compared to TFL, nevertheless it is still effective in marketing by ensuring that the behavior of personnel is aligned with the organization's goals and that consequences are responsible.

Empirical studies such as (Khan et al., 2018) have verified a number of effects along with the association between TRL and marketing effectiveness inside the banking industry. Some researchers suggest that TRL can be effective in short-term overall firm performance improvements, inclusive of increased income or earnings, through their recognition of purpose-placing and overall performance leader's strategies. However, TRL can also be connected to an Inhibition of innovation, employee disdain, and resistance to change, all of which may adversely influence the long-time period of marketing efforts and the sustainability of the companies (Avci, 2015).

Servant leadership is characterized through humility, empathy, and a focus on serving others. It has emerged as a popular leadership style inside the banks, especially in increasing the popularity of Servant leadership and CSR (Khan et al., 2021). Servant leader's aware of the desires of their employees, customers, and communities, they are seeking to create value for the companies more than the financial indicators and shareholder returns. By improving a culture of trust, and obligation, servant leaders can enhance the effectiveness of marketing via developing the relationship with their clients, employees, and different stakeholders (Berkovich, & Eyal 2021). Moreover, Thelen, (2021) discovered that banks led by servant leaders achieved elevated levels of customer satisfaction, employee engagement, and brand reputation when compared to those led by leaders adhering to traditional hierarchical styles. Servant leaders have a propensity for prioritizing ethical business practices, corporate citizenship, and community engagement, qualities that are increasingly esteemed by both consumers and regulators within the banking industry (Suhartanti & Prasetyanto, 2022).

**H<sub>1</sub>:** *Leadership Styles has a significant impact on Marketing Effectiveness in Jordanian banks sectors.*

## 2.2 Leadership and Financial Performance

Numerous empirical studies, such as Kwistianus, Gunawan, and Jonathan (2023) have examined the impact of the leadership on the FIP and reputation of Indonesia firms, the result confirmed that TFL can indeed appreciably decorate an agency's reputation, which, in turn, has an effective effect on its FIP. Furthermore, Madanchian et al., (2017) advise that the TFL exerts a good effect on a business performance, they discussed how TFL complements an organization's effectiveness in reaching its objectives by motivating employees to enhance company performance, which includes monetary effects. This angle aligns with Waldman (2001), who asserts that transformational behaviors decorate the effectiveness of subordinates across numerous organizational contexts.

Similarly, Son, Phong, and Loan (2020) explored that the TFL substantially influences the commercial enterprise performance in Malaysia SMEs. Similarly, Rose et al., (2019) advocate that this style of leader has an extensive effect on the performance of SMEs in rising markets. However, TRL is characterized by its cognizance of precise change and a close association between goals and rewards, Alkhalaf et al. (2023). This approach regularly results in employees being extensively inspired to fulfill responsibilities explicitly referred to in their contracts, which may pose demanding situations for experienced employees whose activity duties may be tough to specify in advance (Dzomonda et al., 2017).

Many empirical studies found a significant impact of TRL and FIP. i.e. Son, Phong, and Loan, (2020) recognized a positive influence of the TRL on FIP, specifically in the context of small organizations. Similarly, other studies, (Al-Smadi et al, 2023; Nor, 2021 and Dzomonda et al., 2017), support the notion that the TRL will have an appreciably superb impact on FIP. However, in tough enterprise surroundings in which creativity and innovation play a critical position, TRL won't always yield positive results for financial performance. These studies emphasize the importance of powerful leadership behavior in improving performance when organizations confront new demanding situations (Katsaros, Tsirikas, & Kosta, 2020).

Situational leadership (SIL), as described by Blanchard and Hersey (1996), is based totally on the dynamic relationship between behavior, and the readiness or maturity degree of followers when it comes to acting on a particular challenge, they emphasize that followers represent the critical aspect of leadership, the perfect method should adapt to the various characteristics and preparedness followers. In a quantitative analysis concerning 376 individuals in Hungary. Karacsony (2021) explored the connection between leadership style and FIP. The findings discovered a great correlation between diverse elements of leadership style and organizational performance. Furthermore, it was mounted that a leader may want to function as a predictor of organizational success, accounting for a 29% variation in performance. These studies' consequences preserve valuable insights for managers looking to decorate FIP each currently and inside the destiny (Al-Smadi, & Malkawi, 2020 and Katsaros, Tsirikas, & Kosta 2020).

Northouse (2001) explained that SIL is the effectiveness of leaders in a few organizational contexts and throughout a huge spectrum of organizational activities. Directive conduct involves imparting explicit commands on what wishes to be executed, how it needs to be performed, where it should take place, and whilst it must occur (Omoush, & Al-Smadi, 2020). Conversely, conducting supportive behaviors includes actively paying attention to others, presenting encouragement and motivation for their endeavors, and facilitating their participation in problem-fixing and selection-making tactics, the result indicated a positive correlation between SIL and FIP (Berraies & Bchini, 2019). In contrast, this link exhibited a terrible relationship with FIP, this result tremendous correlation can be attributed to the truth that SIL, democratic, and laissez-faire leadership styles foster surroundings conducive to worker creativity and innovation. These effects align with studies carried out with the aid of Hiwa, Durmaz, and Demir (2021), which observed that leaders practicing transformational, moral, and SIL were powerful in enhancing FIP and rebuilding agreements within governmental organizations and across sectors.

**H<sub>2</sub>:** *Leadership Styles have a significant impact on financial performance (FIP) in Jordanian banks sectors.*

### 2.3 Leadership and Corporate Social Responsibility

Several studies explored the impact of leadership styles on CSR practices inside the banking industry. The values, priorities, and actions of leaders have influence on organizational culture, decision-making, and relationships with stakeholders (Asghar, & Oino, 2017). This empirical study delves into the connection between leadership styles and CSR within the banking zone, analyzing critical theoretical frameworks, empirical research, and practical implications (Asghar, & Oino, 2017 and Antonopoulou et al., 2021).

CSR tasks within banking sectors have been long attributed to TFL, that's prominent by means of its visionary approach, ability to encourage, and cognizance of individualized consideration (Khan et al., 2018). TFL has the energy to encourage personnel to adopt organizational values, have interaction in socially accountable actions, and make significant contributions to society. Through delivering a compelling vision and prescient for company sustainability and ethical behavior, these leaders can rally employees, customers, and other stakeholders to actively support and participate in CSR tasks (Antonopoulou et al., 2021).

Asghar and Oino, (2017) explained that banks led by transformational leaders have been much more probable to engage in CSR activities such as environmental supervision, community improvement, and ethical governance than banks within TRL or laissez-faire style of leaders (Imhangbe, Okecha, & Obozuwa, 2019). Furthermore, TRL is able to raise an innovation culture and continuous development that is important to addressing complex social demanding situations and promoting sustainable business practices. Moreover, TRL, characterized by way of contingent rewards and control by exception, additionally plays a position in shaping CSR practices inside the banking sector (Hansen & Pihl-Thingvad, 2019). The TRL has a consciousness of placing clear overall performance goals, monitoring compliance with CSR rules, and developing incentives to achieve desired results. Although TRL won't be as visionary or inspiring as TFL, it can nevertheless enhance CSR overall performance by accountability, transparency, and compliance with regulatory requirements (Khan et al., 2018).

Piwozar-Sulej and Iqbal (2023) found combined results concerning the link between leadership style and CSR inside the banks, TRL may be powerful in driving short-term CSR policies and requirements, including environmental, social, and corporate governance reporting. Moreover, Elshout, Scherp, and Feltz-Cornelis (2013) examined servant leaders' efforts to create value for society's past financial returns, emphasizing ethical behavior, civic engagement, and community improvement. By fostering a culture of trust, collaboration, and social responsibility, servant leaders inspire employees to align their actions with the organization's broader mission and values (Imhangbe, Okecha and Obozuwa, 2019).

**H<sub>3</sub>:** *Leadership Styles have a significant impact on Corporate Social Responsibility (CSR) in Jordanian banks sectors.*

### 2.4 Corporate Social Responsibility and Financial Performance

Various theories have explained the correlation between CSR and FIP in the banking industry (Kim, 2017). One of the theories that explains this relationship is the stakeholder theory, which asserts that firms have a responsibility to consider the concerns of all shareholders, encompassing clients, employees, communities, and traders, while making decisions (Al-Smadi, & Almsafir, 2016). According to this point of view, CSR tasks that bolster the welfare and contentment of stakeholders can decorate monetary overall performance by cultivating patron loyalty, boosting worker efficiency, and instilling investor accept as true with (Al-afeef et al., 2024; Alnsour et al., 2023 and Tuan, 2018). Furthermore, in line with company concept, the implementation of CSR tasks can alleviate conflicts between managers and shareholders by ensuring that managerial decisions are in keeping with shareholder targets (Al-Smadi et al., 2020). Through the promotion of transparency, responsibility, and moral governance, CSR can correctly decrease business enterprise expenses, mitigate regulatory risks, and ultimately increase shareholder value in the banking industry (Fatma, & Khan, 2023 & Tuan, 2018).

Ahamed, Almsafir, and Al-Smadi, (2014) explored the propositions and mechanisms how CSR activities can impact on FIP inside the banking sector, these mechanisms enhancing reputation and brand value, fostering consumer loyalty and retention, effective risk management and cost reduction, facilitating get entry to capital and investment opportunities, alongside promoting employee satisfaction and productivity (Fatma, & Khan, 2023). For example, CSR activities amplify reputation and public consideration could potentially heighten patron loyalty and their willingness to pay a top class for products or services, an excellent strategy for reinforcing revenue boom and profitability (Kalbounh et al., 2023). Similarly, CSR endeavors aimed at mitigating environmental and social risks like sustainable lending practices or community improvement initiatives can effectively lessen operational costs in addition to regulatory compliance burdens, a sensible method towards enhancing economic overall performance (Wang, 2020).

Banks must well know the strategic significance of CSR as a catalyst for sustained value for generated and competitive advantage (Leclercq-Machado et al., 2022). By incorporating CSR into their operational strategies, banks can amplify their reputation, decrease dangers, magnetize investments, and cultivate stakeholder trust with and loyalty (Dhar, Harymawan, and Sarkar, 2022 and Al-Smadi, 2020). Furthermore, banks want to embody an all-encompassing method to CSR that respects the

issues of every stakeholder and tackles a large spectrum of environmental, social, and company governance issues. This could entail enforcing responsible lending and investment practices, advocating financial inclusion and literacy, backing network development programs, and minimizing carbon emissions and environmental footprints (Zhang, & Liu, 2023). As well as, Dhar, Harymawan, and Sarkar, (2022) explored that banks ought to undertake obvious reporting and disclosure practices for his or her CSR performance transparent to stakeholders efficiently. By supplying accurate and well timed records of their CSR activities and effects, banks can improve transparency, responsibility, and settlement, strengthening their popularity and competitive function in the market (Bekhet & Al-Smadi 2016).

**H4:** *Corporate Social Responsibility (CSR) has a significant impact on Financial Performance (FIP) in Jordanian banks sectors.*

### 2.5 Corporate Social Responsibility and Marketing Effectiveness

Various theoretical frameworks have found a correlation between CSR and the effectiveness of marketing strategies, Romano et al., (2023) located that CSR has the capability to strengthen brand popularity and generate lengthy-time period value for different stakeholders including clients and employees. Ultimately CSR programs are in alignment with stakeholder expectations, and societal norms are posited to make contributions to marketing effects with the aid of enhancing elements which includes brand allegiance, customer's contentment, and marketplace presence (Huang & Liu, 2020).

Furthermore, the signaling theory argues that CSR can function as a means of delivering a message about organizations' quality, honesty to ethical behavior, thereby impacting how clients understand a company and their intentions to make purchases (Asada et al., 2023). Through involvement in CSR tasks, companies, customers and others can set their brands apart, enchantment to clients who value CSR, and set up a competitive aspect within the market (El-Menawy & El-Sayed, 2024 & Nickerson, & Goby 2016).

Furthermore, CSR has many functions of achieving a competitive advantage, enabling corporations to differentiate brands from competitors, increase the number of customers, and ensure a higher price in the market (Kim 2019). Through CSR initiatives and outcomes via promotional platforms, corporations can enhance consumer recognition, involvement, and allegiance to their brands, consequently stimulating sales and expansion of market presence (Rao & Tilt, 2016).

The study conducted in (Jackson et al., 2020) elucidated the importance for companies to incorporate CSR into their brand identity, positioning, and communication strategies to bolster brand equity and gain a competitive advantage. Through aligning CSR efforts with brand values, organizations can enhance customer relationships, distinguish their brands, and establish a distinctive value proposition within the market (Abbas et al., 2019).

Furthermore, Rao and Tilt (2016) explored how companies should prioritize authenticity, transparency, and accountability in their CSR efforts to build trust and credibility with consumers. By demonstrating a genuine commitment to social, environmental, and ethical concerns, companies can mitigate consumer skepticism and cynicism toward corporate motives, thereby increasing the effectiveness of CSR as a marketing strategy (Abbas et al., 2019).

El-Menawy, and El-Sayed, (2024) indicated that it is beneficial for corporations to utilize digital and social media platforms to expand the scope and influence their CSR endeavors and engage with stakeholders in enormous manners. Through content created by users and their interactive stories, companies have the ability to improve customer knowledge, their support, and engagement in CSR undertakings, ultimately leading to favorable brand conceptions and understanding the marketing outcomes of these firms (Abbas et al., 2019).

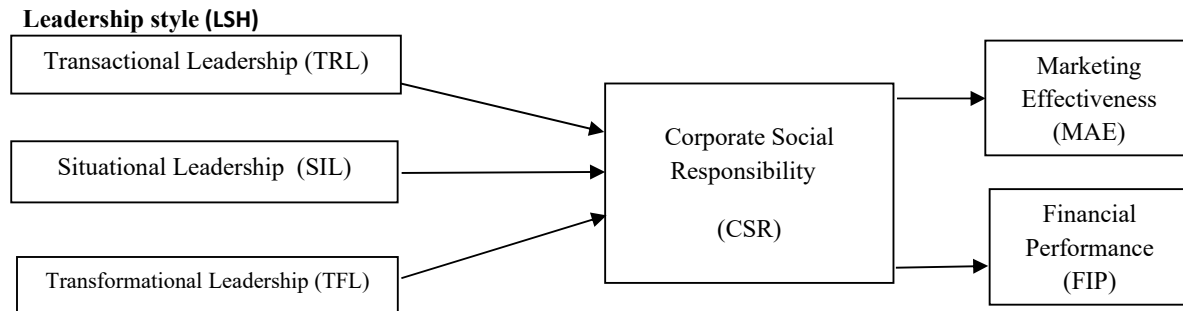
**H5:** *Corporate Social Responsibility (CSR) has a significant impact on Marketing Effectiveness (MAR) in Jordanian banks sectors.*

### 3. Methodology

The major goal for the current research is to look at the effect of leadership style on marketing effectiveness and financial performance. data collection of this study utilized structured questionnaires distributed to managers within the chosen banking institutions. A convenience sampling approach was employed for this research. A power analysis was utilized to ensure that the sample size was sufficient for detecting noteworthy variations in the data. The questionnaire items utilized in this study were constructed based on established validated measures from previous studies (Mueller & Hancock, 2018, Hair Jr et al., 2020 and Gowan, et al., 2022). Responses will be rated on a ten-point Likert scale, spanning from "Strongly Disagree" (1) to "Strongly Agree" (10). Following data collection, the gathered information underwent analysis utilizing PLS-SEM. The analytical process encompassed two stages: evaluating the measurement model and assessing the structural model (Dash et al., 2021). Throughout this investigation, stringent ethical guidelines were followed. Participants were duly informed of the study's objectives, and their involvement was entirely voluntary (Rigdon, 2016). Data confidentiality was safeguarded, with responses utilized exclusively for research purposes.

### 3.1 Sampling and Data Analysis

The current study used numerous variables to investigate the effect of several leadership (LSH) on Marketing Effectiveness (MAE) and Financial Performance (FIP) through the role of Social Responsibility (CSR) as a Mediator in the banking sector in Jordan, comprising a collective team of 100 managers in 2023. Moreover, the dimensions of this study were collected in several ways including LSH used Transactional leadership (TRL), Situational leadership (SIL), and Transformational leadership (TFL), while CSR focuses on environmental dimensions and social dimensions as well as financial performance using Return on investment, Earnings growth, Sales growth, Market share, and return on assets (ROA). MAE in this study depends on five dimensions, encompassing a bank's adherence to a customer-centric philosophy, strategic marketing focus, capacity to acquire pertinent and timely market insights, degree of alignment within the marketing structure, and operational proficiency (Fig. 1).



**Fig. 1.** Conceptual Framework

## 4. Results

This part of the research unveils the results obtained from the data analysis process, which used statistical strategies to investigate and make clear diverse dimensions associated with TFL, TRL, SIL, and FIP, CSR and MAE. The observation followed an explanatory technique, collecting statistics through a properly established questionnaire and utilizing a robust look at layout supported via a tremendous sample period. Furthermore, this part of the look is dedicated to the statistical analysis and the evaluation of the version's reliability, validity, and potential biases. Latent factors, derived from observable variables, underwent an evaluation for reliability utilizing two metrics: Composite Reliability (CR) and Cronbach's Alpha (CA). A CR or CA rating of 0.7 or above indicates a high degree of reliability.

**Table 1**

The variable of the proposed study

Variables	Factor Loading	Cronbach's Alpha	Composite Reliability	Average Variance Extracted
<b>Transactional leadership</b>		<b>0.868</b>	<b>0.991</b>	<b>0.675</b>
TRL1	0.867			
TRL2	0.691			
TRL3	0.666			
TRL4	0.921			
<b>Situational leadership</b>		<b>0.785</b>	<b>0.988</b>	<b>0.759</b>
SIL1	0.664			
SIL2	0.714			
SIL3	0.654			
SIL4	0.998			
<b>Transformational leadership</b>		<b>0.989</b>	<b>0.997</b>	<b>0.425</b>
TFL1	0.771			
TFL2	0.658			
TFL3	0.885			
TFL4	0.867			
<b>Corporate Social</b>		<b>0.758</b>	<b>0.801</b>	<b>0.664</b>
CSR1	0.517			
CSR2	0.882			
CSR3	0.775			
CSR4	0.947			
<b>Marketing Effectiveness</b>		<b>0.861</b>	<b>0.771</b>	<b>0.826</b>
MRE1	0.538			
MRE2	0.775			
MRE3	0.854			
MRE4	0.825			
<b>Financial Performance</b>		<b>0.994</b>	<b>0.950</b>	<b>0.689</b>
FIP1	0.787			
FIP2	0.556			
FIP3	0.998			
FIP4	0.568			

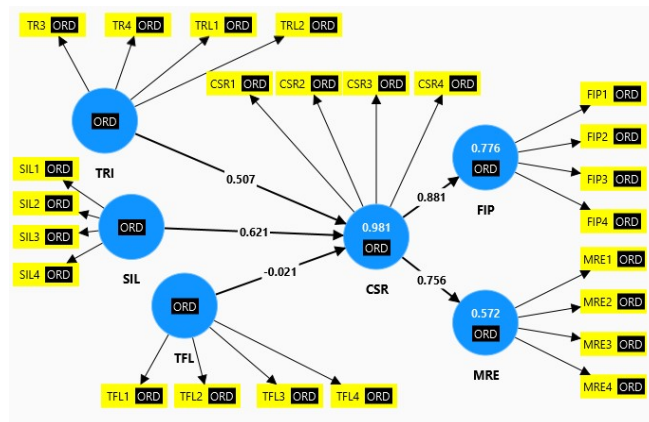
Table 1 reveals robust reliability, with CA exceeding 0.7 and CR surpassing 0.7, regular with research via (Hair et al., 2020). Moreover, convergent validity, which examines the accuracy and validity of the constructs, becomes evaluated through factor loadings. An appropriate measure of convergent validity becomes deemed to be aspect loadings of 0.50 or higher. The consequences, showcased in Table 1 indicated that every one thing loadings passed the 0.5 thresholds, implying a strong convergent validity. This supports the argument positioned forth through (Dash et al., 2021). That widespread convergent validity is signified through factor loadings exceeding 0.5. Table 2 similarly gives the Average Variance Extracted (AVE) values for every concept. According to Dash et al. (2021), AVE values greater than 0.5 are sufficient to establish convergent validity. The constructs tested in this research exhibited AVE values exceeding 0.5, thereby reinforcing their great convergent validity. To confirm the discriminant validity, the square root of the average Variance Extracted (AVE) for every latent variable is as compared to different correlation values amongst every other construct (Rasoolimanesh, 2022; Rigdon, 2016). Table 2 validates the discriminant validity of the research by demonstrating that the off-diagonal correlations have been smaller than the square roots of the AVE values.

**Table 2**  
The Fornell and Lacker Discriminant Validity

Factors	TRL	SIL	TFL	CSR	MAE	FIP
Transactional leadership	<b>0.885</b>					
Situational leadership	0.426	<b>0.889</b>				
Transformational leadership	0.653	0.701	<b>0.889</b>			
Corporate Social Responsibility	0.554	0.668	0.765	<b>0.759</b>		
Marketing Effectiveness	0.598	0.505	0.665	0.442	<b>0.598</b>	
Financial Performance	0.520	0.552	0.462	0.659	0.662	<b>0.889</b>

4.1 Structural Model Assessment

The outcomes in Table 3 and Fig. 2 show that CSR inside the Jordanian banking industry is considerably and favorably impacted via TRL. According to the findings, a 1% rise in TRL might result in a 0.391% growth in CSR. Furthermore, the findings display that CSR within the Jordanian banking enterprise is notably and favorably impacted through SIL. This suggests that a 1% upward push in SIL might bring about a 0.244% increase in CSR.



**Fig. 2.** Path study Analysis

**Table 3**  
The coefficients path

HYP	Impact	$\beta$	Standard Deviation (STDEV)	T Statistics	P-Values	sig
H1 (A)	TRL → CSR	0.391	0.374	2.722	0.021	**
H2 (A)	SIL → CSR	0.244	0.115	2.167	0.057	*
H3 (A)	TFL → CSR	0.452	0.056	3.558	0.020	**
H4 (A)	CSR → MRE	0.521	0.044	4.335	0.001	***
H5 (A)	CSR → FIP	0.205	0.024	4.551	0.000	***

Note: \* p< 0.05, \*\*p<0.01, \*\*\*p<0.001; Hypotheses (R) =Rejected, (A) Accepted.

Furthermore, the results imply that CSR within the Jordanian banking industry is appreciably and favorably impacted by TFL. According to the findings, a 1% rise in TFL might result in a 0.452% growth in CSR. Additionally, the results show that MRE inside the Jordanian banking industry is extensively and favorably impacted through CSR. According to the findings, a 1% upward thrust in CSR could bring about a 0.521% increase in MRE. Ultimately, the results demonstrate that FIP in the Jordanian banking industry is significantly and favorably impacted by CSR. According to the findings, a 1% increase in CSR would result in a 0.205% increase in FIP. As a result, these findings validated the study hypotheses.

## 5. Conclusion and Recommendation

This study demonstrated that various leadership styles have a significant positive impact on marketing effectiveness and financial performance by highlighting the mediation role of corporate social responsibility in the banking industry, especially TFL, which promotes an innovative culture and inspires workers, as well as an emphasis on CSR programs that are consistent with both the organization's and society's values. As a result, these leaders can have a favorable impact on marketing effectiveness by building customer loyalty and brand reputation. Furthermore, a focus on sustainable growth and long-term vision can enhance financial performance. On the other hand, TRL prioritizes performance monitoring, goal setting, and rewarding success. Moreover, SIL, Servant leaders put their clients' and employees' needs first, seeking to empower and help them in. Furthermore, CSR performs an important mediating role within the impact among financial overall performance, marketing efficacy, and management styles. Successful CSR programs enhance purchaser consideration, give a boost to brand perception, and draw in socially involved investors. As a result, CSR -targeted leadership techniques have a higher chance of favorably influencing marketing efficacy and financial fulfillment indirectly. Particularly, the fulfillment of marketing and corporate financial performance is influenced by means of CSR initiatives, which can be shaped in a huge component, by means of the management patterns located in the banking industry. Because it fosters competitive advantage and sustained growth by balancing organizational ideals with social expectations, transformational management stands out as in particular powerful. However, fostering organizational overall performance in the banking industry calls for thorough leadership dynamics and the way they relate to CSR.

## 6. Recommendations and Future Study

Several recommendations and ideas for further studies may be made considering the conclusions reached through study the impact of numerous leaderships on FIP and MAE via the banking sector's use of CSR as moderator. To satisfy social necessities and stay true to their essential enterprise aims and standards, banks should create integrated CSR programs. Leaders need to be certain that CSR efforts are greater than simply token acts; they need to be ingrained in the banks' operations. By fostering real relationships with consumers and communities, this integration can improve marketing efficacy and sooner or later enhance financial success. The banking sector needs to install reliable benchmarks to evaluate how CSR moves influence their capability to generate revenue and feature financially. This includes monitoring monetary indicators like return on investment and shareholder value, customer satisfaction, employee engagement, and brand perception. Leaders can also have informed decisions and have a better understanding of the effectiveness of CSR initiatives through measuring the results.

Future studies should be conducted to analyze the long-term influences of numerous leadership styles on the banking industry's performance, CSR results, and marketing efficacy. Researchers can locate patterns, causal relationships, and different moderating elements that affect the fulfillment of leadership and CSR activity by means of tracking organizational performance over a long time. Future research must study how the emergence of recent technology like Blockchain, AI, and Fintech impact on the relationship among organizational performance, CSR practices, and leadership style inside the banking industry and compare the result to other sectors i.e. (services and manufactures). Leaders need to recognize ethical and socially conscious company practices while concurrently adjusting to technological challenges.

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