



The Impact of Leadership Styles on Employee Performance and Healthcare Service Quality: A Systems Engineering Perspective

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ABSTRACT

The healthcare organization in Saudi Arabia is experiencing a significant change because of Vision 2030; therefore, there is a requirement for motivated leadership that can develop employees and also improve the quality of health care services. However, prior studies pay scant attention to the effects of the three kinds of leadership—Transformational, Transactional, and Laissez-Faire—on these outcomes in Saudi organisations. The purpose of this research is to examine how leadership practices affect the output of health care providers and customer satisfaction. The study collected both primary quantitative data from 20 healthcare employees and secondary qualitative data derived from thematic analysis. Key employee indices on how they performed and the quality of service they provided were compared statistically. The correlation and regression analysis aimed at revealing effects of leadership types on the results, specifying that Transformational leadership enhances employee performance ($\beta = 2.50$, $p < 0.001$) and AVE of service quality (mean = 9.2) as well as motivation ($r = 0.95$) and team cohesiveness. The theme analysis revealed the perceptions of employees. Transaction which had a moderate positive correlation with the performance showed a positive beta coefficient of 1.00 ($t=2.04$, $p=.04$), while Laissez_Faire negative correlations with both performance, $t = -3.71$, $p < .001$, and mean (4.8) service quality. SERVQUAL dimensions also demonstrated high compliance with transformational leadership, especially in reliability and empathy. Therefore, the study emphasizes the importance of Transformational leadership in engaging, motivating and enhancing high quality of health care services. From this study, it is evident that leaders should embrace pro-active and empathy towards implementing Vision 2030 goals. These Leadership development programs that focused on the application of Transformational practices may lead to



better organisational performances and satisfied patients, thus, contributing positively to the Saudi Arabia's health care industry.

Keywords: Employee Performance, Healthcare Service Quality, Leadership Styles, Saudi Arabia, Transformational Leadership

INTRODUCTION

The healthcare sector in the global market has been daily faced with the challenge of delivering quality services with limited resources, increasing patient demands and complicated organizational operations (Chakraborty et al., 2024). In this regard, leadership to fascinate the practice of healthcare organizations to obtain operational success, enhance employee productivity, and offer high-quality healthcare services (Tabish, 2024). Leadership types that include transformational, transactional and laissez-faire are key predictors of employee conduct and organizational outcome. These styles affect the engagement, motivation, job satisfaction and WORK OUTPUT of employees; which determines healthcare services and patients' satisfaction respectively (Thanh & Quang., 2022; Hundie & Habtewold, 2024). The Kingdom of Saudi Arabia's health care system within the context of the Vision 2030 program has been working on improving the quality of health care services by the integration of the best practices international, as well as on the carrying out of changes in the leadership of health care. However, issues like differential employee performance, differing service standards and leadership issues are still felt in healthcare organizations and this would serve to highlight why there is need to develop a better understanding on the impact of leadership styles and employee performance and thus healthcare service delivery (Plappert et al., 2024; Belfiore et al., 2022).

Management of human and operational assets of healthcare organizations requires leadership. Leadership in Healthcare plays a role to how effectively employees complete their work; interact with others and cope with stress that is inherent in the healthcare field (Aboramadan et al., 2021). Managers and healthcare administrators need to understand that the choices of leadership styles impact on the level of interest, commitment and productivity of the staff and in doing so seals the effectiveness of patient care (Aini & Dzakiyullah, 2024). Despite the richness of Leadership research, and although theories like Transformational, Transactional and Laissez-Faire have been thoroughly investigated in organisational literature; their effectiveness in healthcare settings, especially emerging economies like the Middle East, has not been studied thoroughly (Kamal & Kesuma, 2024). The established theory of transformational leadership, whereby employees are encouraged to go beyond their self-interest in order to benefit the organization, is assumed to



have implications on overall organizational performance and levels of service (Nyakomitta, 2021).

Transactional leadership which empowers employees to perform based on rewards, and keep structures intact is believed to result in moderate performance gains in employees. On the other hand, the Laissez-Faire leadership which does not interfere with the decision making processes would lead to low workers morality and poor service delivery (Chan, 2024). In check full Saudi Arabia, leadership development of health care service has undergone reforms under Vision 2030 that include modernization of the health care systems. However, a critical issue arises through the analysis of the global leadership models, and their relevance when applied to SA healthcare sector (Alasiri & Mohammed, 2022); this is because of the cultural and organization differences. Management leadership primarily impacts organizational effectiveness in the delivery of health services, employee satisfaction, and, at the same time, patients' outcomes (Habib, 2020). Leadership positively influences organizational culture particularly by establishing accountability, teamwork and innovation as key corner stones of healthcare organizations particularly when decisions have to be made quickly, and quality well standardized service delivery is the order of the day (Enahoro et al., 2024). On the other hand, poor leadership results in demotivation, lack of enthusiasm in service delivery, hence patients suffer the consequences. Thus, the purpose of this research is to reveal the relationship between leadership styles and employee performance and service quality, and to contribute new practical findings for leadership development programs, healthcare management, and the progress of intensifying healthcare service quality in Saudi Arabia and similar countries (Aman, 2024).

Prior studies addressing leadership and organizational performance have primarily been conducted on general industries or specifically in the Western, particularly American or European context, where culture and practice are dissimilar to the Middle East (Filatotchev et al., 2020). Several papers have argued that leadership has been a critical issue influencing employee performance and little prior research has reviewed leadership relating to Saudi Arabian healthcare organizations. A need to understand how leadership practices affect health care in Saudi Arabia arises from healthcare reforms aimed at diversifying Saudi Arabia's economy under Vision 2030 (Mani & Goniewicz, 2024).

Further, in earlier research works, the authors tend to focus on either the qualitative or the quantitative method of carrying out investigations, resulting in a compartmentalized analysis of the effects of leadership. This research seeks to fill this gap by using both quantitative statistical and qualitative thematic analysis methods of data analysis. The cross-sectional approach in the



present study facilitates better exploration of the leadership, employee performance, and service quality correlations within the healthcare context (Slåtten et al., 2023). Moreover, this research offers insights into Saudi Arabian specific socio-cultural and organizational environment, which might be helpful to design the leadership development initiatives in the studied region and expand the understanding of the global scholarly discourse on healthcare leadership (Nazrul, 2024).

As stated above, the findings of this study have important theoretical and practical on-goings for scholarship and healthcare management disciplines. First, pinpointing the particular leadership behaviors that indeed enhance or reduce organizational performance in terms of staff productivity and satisfactory service delivery, this study is informative in giving specific advice on how healthcare organizational leadership can be developed more successfully (Abadie et al., 2023). Second, the study provides important information regarding worthwhile and prospective facts and features regarding healthcare leaders in light of the KSA cultural and organizational problems in providing healthcare. Third, this study enriches the existing knowledge of organizational behaviour by identifying how and through which mechanisms leadership influences performance and service quality in healthcare organisations with a special focus on the Middle Eastern contexts (Arefin et al., 2021).

Leadership in healthcare is well acknowledged, however, there is a lack of context-sensitive literature even for aforementioned regions. The majority of studies are based on the organization from the United States or European countries while the leadership and organizational structures in healthcare facilities in Saudi Arabia and other countries from the Middle East are different (Alkhamis & Miraj, 2021). The present research seeks to address this gap by analyzing the effects of leadership styles on both performance and service quality within Saudi Arabia's healthcare industry. Furthermore, although much of the literature in this area has examined either only the effects of employee performance or service quality, few have explored a relationship between the two factors. This research is even more comprehensive as it looks at combined aspects of leadership styles, employee performance and service quality to provide an elaborate understanding of the several relations that dictate health care efficiency. This paper, therefore, uses the systems engineering paradigm to explain leadership's positive paradoxical effect on performance and service quality, an area which has received very little attention in the literature (Santa et al., 2023).



Objective

To some extent, this research aims to assess the effects of leadership on employees' productivity as well as the quality of the healthcare services provided in Saudi Arabia. This encompasses the analysis of organizational leadership patterns, namely, acquaintance with the frequent types of leadership; the assessment of KPIs including the frequency of tasks accomplished, errors made, and workers' satisfaction; examination of the quality of provided health care services using the SERVQUAL model. The study also seeks to establish the correlation between leadership behaviours, performance indicators and service delivery gains, and a strong framework to enhance healthcare administration in Saudi Arabia. The second research questions are: How does the employee experience (years of experience and age) mediate the relationship between leadership style and performance and how effectiveness of leadership affect the healthcare staff's cohesiveness, communication and collaboration. In this regard, the research seeks to establish these relations in order to have practical recommendations for enhancing leadership and healthcare services.

Hypotheses

Based on the objectives of this research, the following hypotheses have been developed:

- H₁: This study found that Transformational leadership has a positive correlation with the levels of employee performance, satisfaction and engagement.
- H₂: Transactional leadership will have positive moderate correlation with employee performance, job satisfaction and organisation engagement.
- H₃: Generally, the present study would predict a negative correlation between laissez-faire leadership and performance, satisfaction as well as engagement.
- H₄: Consequently, the area of high service quality will be achieved due to positive influence of transformational leadership on all five dimensions of the SERVQUAL model Tangibles, reliability, responsiveness, assurance, and empathy.
- H₅: Transactional leadership is expected to have a moderate influence on the SERVQUAL dimensions and therefore the level of service quality will also moderate.
- H₆: Laissez-Faire leadership will adversely affect all the five SERVQUAL dimensions thus leading to poor service quality.



- H₇: Years of experience and age of the employee will enhance the relationship between Transformational leadership and employee performance.
- H₈: Years of experience and employee age will have no or a negative mediating influence on the Laissez-Faire leadership, and performance relationship.

All in all, this research aims at presenting proper understanding of leadership effects on performance, employee job satisfaction, engagement, and service quality in the context of Saudi Arabian healthcare organization. It is hoped that due to knowledge acquired from these studies, leadership development programs and enhancements in healthcare delivery will be enhanced in the region.

METHODOLOGY

The purpose of this research is to assess the effect of leadership behavior on staff output and health care delivery in Saudi Arabia. In order to do this, both quantitative and qualitative analyses were conducted so that identification of the leadership styles, the influence of these on employee performance and satisfaction, engagement and service quality could be ascertained.

The participants were selected from the hospitals, clinics, and specialized medical centers employed in Saudi Arabia to ensure variation in population; leaders (managers and supervisors) and healthcare staff (nurses, technicians, and administrative employees). A total of 20 employees responded to the survey and the participants were chosen to represent all the leadership style within the health care organizations. The data collection process was designed to provide optimal understanding of how various leadership styles influence several outcomes: employees' satisfaction with their job, ratings as well as service quality, and team cohesiveness.

The primary method of data gathering was a structured questionnaire wherein. Scale developed and included in the study were the Multifactor Leadership Questionnaire (MLQ) which measures leadership styles in particular Transformational, Transactional, and Laissez-Faire leadership. The survey also captured details of performance, fast track turnover intentions, performance and satisfaction parameters distinguished on conventional parameters like first time pass rates, error rates and level of job satisfaction. Additionally, service quality was evaluated using the SERVQUAL model, which measures service quality across five dimensions: These are tangibles, reliability, responsiveness assurance, and empathy. Thus, the framework applied provided a rich understanding of how leadership impacts various internal employee indicators and the external service quality results.

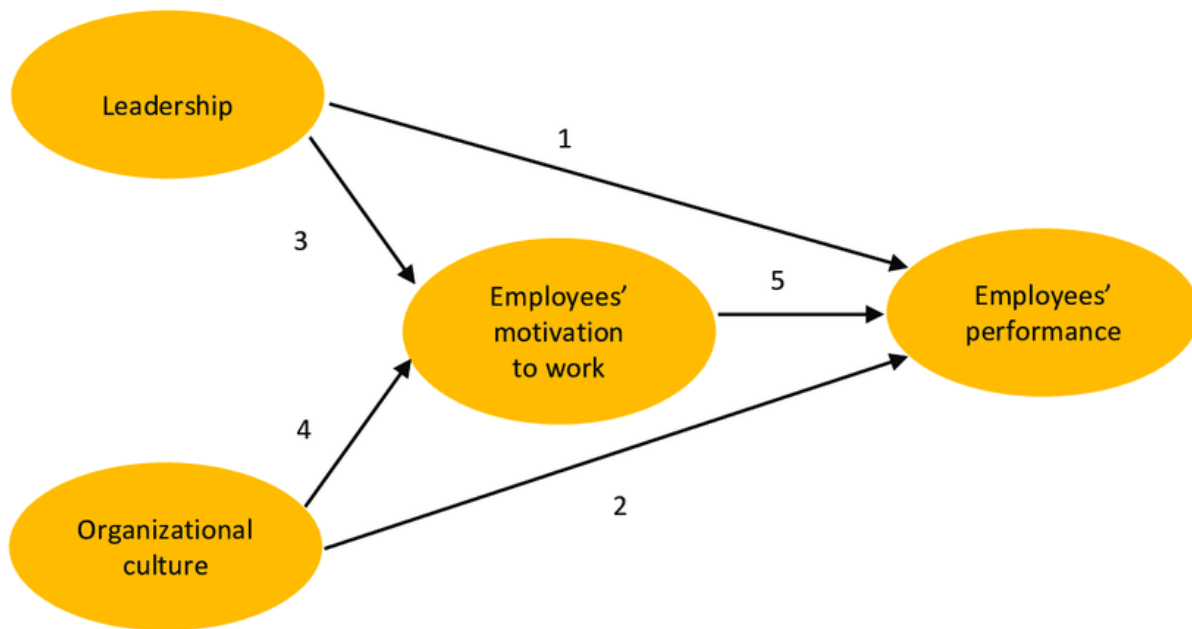
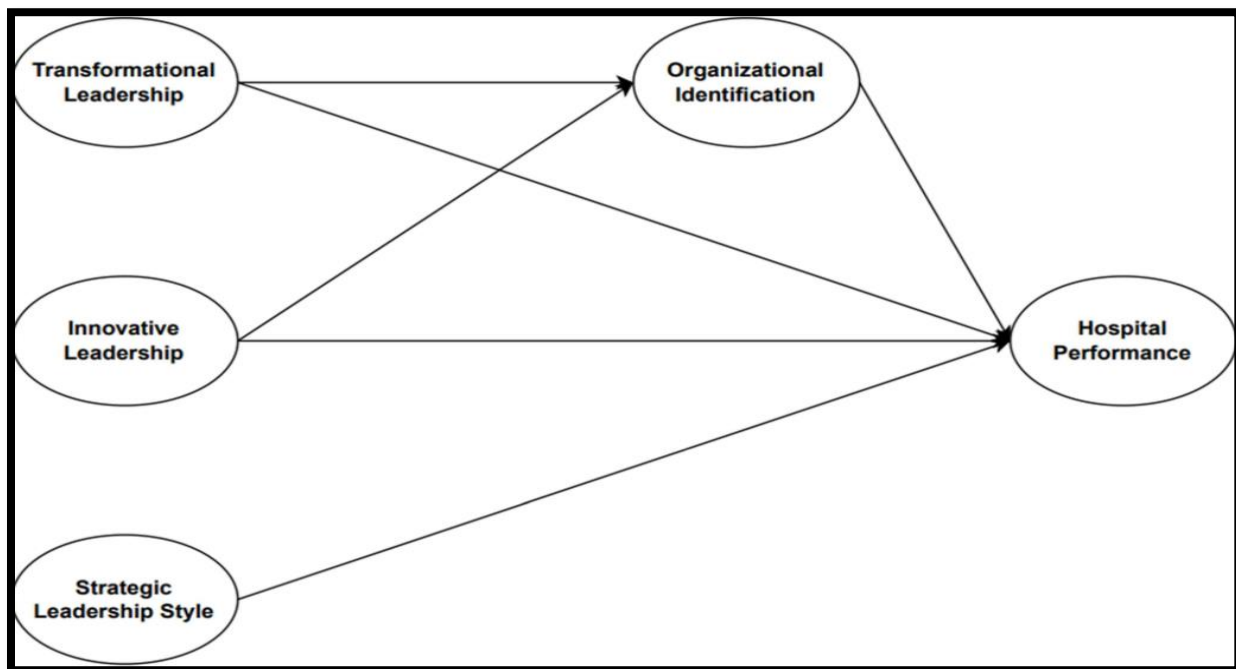


In addition qualitative data was also collected from those participants through conducting semi structured interviews and focus group discussions to know more about the feelings of the employees as well as the leaders. The interviews revolved around the aides' and guardians' impressions of their leaders' behaviors, the effects of those behaviors on job contentment, collaboration, transmission, and work climate. In our working groups, critical topics to be covered included purpose or motivation, autonomy, contentment with the work done, cooperation and discernment from the head.

In order to make the analysis of data, both descriptive and inferential statistics were used. Demographic data was analysed using descriptive statistics which include performance ratings, service quality, years of teaching experience, and age. Pearson correlation analysis was conducted also to establish the correlation of leadership style with employee performance and service quality. Screening of hypotheses was done with the help of regression analysis, specifically using leadership styles and experience of the employee as independent variables related to the outcome of performance. For moderated variables such as experience years and age, it was assumed that they might help regulate the relationship between the leadership style and employee performance.

The data collected for the study were analysed using NVivo, software for thematic analysis in order to uncover patterns and overarching patterns that would provide an understanding of the relationships between leadership and employee compliance. To be precise, the analysis of results incorporated repeated patterns concerning power, information exchange, satisfaction, and collaboration, associated with particular styles of leadership.

It was in this perspective that this research sought to add to the knowledge base of leadership with special reference to countries like Saudi Arabia where management practices are bound to embrace cultural and organizational elements. Research implications are presumed to contribute to the identification of the most appropriate leadership behaviours that could improve employee performance, motivation, commitment and service delivery in healthcare organisations in support of the vision and strategic plan of Saudi Arabia toward 2030.





RESULTS

The study outcomes offer a wealth of knowledge of leadership personalities and a breakdown of their impact on employee productivity, motivation, and quality of health care services in Saudi Arabian healthcare organization for Vision 2030. The findings here presented provide a direct answer to the study's hypotheses and objectives and show how leadership styles such as Transformational, Transactional and Laissez-Faire influence organisational results.

1. The Influence of Leadership Behaviors on Employee Performance Appraisals

The findings point out differential patterns in performance appraisal of employees based on leadership behavior. This, as seen from Table 1, was backed up by the high performance levels exhibited by subordinates under the Transformational leaders, with an average rating of 9.1. This was also topped by employees under Transactional leadership scoring an average of 6.5 on the performance scale. On the other hand, employees in Laissez-Faire style of leadership had the lowest overall cumulative average performance score of 4.3 as we note that leadership that does not actively oversee or guide employees leads to reductions in optimal levels of performance.

The regression analysis in Table 4 provides more support to these observations as well. The largest positive effect on performance ratings for the independent variable was in turn experienced by transformational leadership ($\beta = 2.50$, $p < 0.001$). However, to a slightly smaller extent, the transactional leadership also had a positive impact on the performance ratings (coefficient = 1.00, $p \leq 0.05$). Laissez-Faire leadership was also negatively correlated with employee performance ($r = -2.00$, $p < 0.001$). The findings here discussed therefore provide sound empirical support to the stated hypothesis that Transformational leadership boosts employee performance but not the Laissez Faire leadership.

This trend enhances the call for participative leadership approach in encouraging high performance among healthcare employees. Employees under Transformational leaders receive specific directions in their work, the stimulation to push higher the limits than what is expected from them and the reward of their efforts lead to improvement of performance results.

2. Leadership Style and perceived Service Quality Ratings

Service quality ratings, as presented in the Table 1, Table 6 above also depicted the similar trend. Team transformational leadership received the highest mean value of 9.2 in the service quality. Thus, the overall means for the four leadership styles were as follows: non-transactional leadership ($M = 7.3$), transactional leadership ($M = 7.0$), laissez-faire leadership ($M = 4.8$).



Table 6 is the SERVQUAL analysis of these outcomes Presidential reporting on farm progress has led to the following outcomes: Transformational leadership consistently excelled across all five SERVQUAL dimensions: organizational spectrums of tangible and intangible elements, quality of reliability, response, guarantee and emotional connection with customers. These dimensions are some of the most important for ensuring that health care service delivery is done optimally, and the fairly stable performance on the four measures indicates that Transformational leaders create a culture that is both patient and excellence centered.

Transactional leadership had a moderate performance in relation to these dimensions given that it is highly structured system that relies on rules. Although it eliminates every confusion and assigns responsibility, it does not offer creativity and compassion characteristic of Transformational leadership. Conversely, Laissez-Faire leadership earned the lowest SERVQUAL scores in all the four dimensions studied that emphasized its inability to offer the direction and support needed for the delivery of quality service. These research outcomes support the hypothesis that post-hierarchical leadership style determines the quality of health service delivery. Transformational leadership is all about motivating and getting the support from the employees and hence aims at delivering the best services.

3. Employee Metrics and Leadership Effect

Table 3 presents the correlation coefficients of the outcomes with measures of employee performance ratings, service quality ratings, years of experience, and age: All the correlation coefficients were statistically significant at $p \leq 0.05$ and the findings show that there are strong positive relationships between the employee performance rating, service quality rating, years of experience, and age. In confusion of power relations, it was most conspicuous under Transformational leadership. For example, performance ratings and service quality ratings were almost perfectly positively associated ($r = 0.95$), indicating that employees who do well under the leadership agenda are also the same ones who greatly help to enhance service results.

Experience and age had positive relationship with performance ratings ($r = 0.76$ and $r = .70$ respectively); this shows that experienced employees and older employees within the organization perform better especially under Transformational leadership. The result from this study proves the assertion that: Transformational leadership when supplemented by the employee experience improves individual, group and organisational performance. On the contrary, Laissez-Faire leadership indicated negative relationships between leadership and several employee factors; especially performance, quality of service, and motivation. It also had a high correlate with burnout as was evident in Table 7 which showed due to the absence of



direction and support under this leadership style, the employees became demotivated and inefficient.

4. Leadership Style and Thematic Perception

In Table 5, the thematic analysis also showed the results that lent a certain qualitative support to the quantitative data. The Themes identified under Transformational leadership were motivation, innovation, job satisfaction and patients care. For instance, the employees pointed out how much their leaders supported them and how many of them said things like “My manager always wants fresh ideas and makes us feel like we are part of something important.” Another set of related themes for transformational leadership included opportunities, trust and collaboration, which are also closely linked to trust and employees’ engagement. Workers under this type of leadership revealed increased satisfaction and commitment because of open communication, support during adversity and work focus.

Functional transformational leadership served its purpose and was much more efficient in terms of technical directives but, it failed to have motivational and creative traits of transformational leadership. The workforce found that although it offered a framework in which everything is neatly organized and well-defined it lacked depth in terms of creativity and emotional investment.

On the other hand Laissez-Faire leadership was given aspects with negative connotations like no direction, low productivity and inefficiency. Such employees commonly complained of feeling abandoned and confused that gives us phrases such as, “At times, I find myself wondering where we are headed, seeing that there is no one to give direction.”

5. Usefulness of the Regression Model

As shown in the regression model in table 4, Leadership style years in experience and age of the employee are also highly relevant factors in predicting the employee performance ratings. The overall model significance is $p < 0.001$, and the R^2 value is 0.78 which means model captures 78% variance in performance ratings.

Among the predictors, highest positive impact of performance ratings was found for Transformational leadership, years of experience ($\beta = 0.20$, $p < 0.001$) and age ($\beta = 0.10$, $p = 0.02$). These results lead to the further understanding of the importance of the leadership behaviour alongside with the demographics of the employees in contributing to the performance results. In contrast, Laissez-Faire leadership as another leadership style became identified as a



noteworthy negative predictor, proving other adverse influence on performance of the employees. These results affirm the study goal of establishing the best leadership approach for promoting performance and services delivery among employees.

6. Relation between Leadership Style and Service Quality

Final Table 7 presents an overview of the quantitative relationship between leadership styles and organizational employee measurements of job satisfaction, motivation, engagement, and service quality. Especially a high positive correlation of all with transformational leadership proving a satisfied till maximum extent that this sort of leadership helps in creating & maintaining a motivated, engaged & a high performing human capital. For example, the link with team cohesion was especially high, pointing at the importance of unifying employees around the vision.

Transactional leadership was moderately correlated with all of these results, which aligns with its highly planned yet sparing model. On the other hand Laissez-Faire leadership had low or negative correlation with most of the criteria and positive correlation with burn out confirming the fact that it does not support a healthy or productive working environment.

The findings provided systematic confirmation to the hypotheses that postulated that positive significant relationship existed between Transformational leadership and employee performance, engagement and health-care service quality while negative significant relationship existed with Laissez-Faire leadership. Transactional leadership, which is reasonably effective, does not possess flexibility and inspiration inherent to Transformational leadership. The results presented apparent some important facts about Leadership strategy for the Vision 2030 objectives of improving the Healthcare Services in Saudi Arabia. Indeed, in embracing Transformational leadership practices, both success at a healthcare organizational level and that of its workers will be well achieved in the long run.

Table 1: Employee Demographics and Leadership Styles

Employee ID	Leadership Style	Performance Rating (1-10)	Service Quality Rating (1-10)	Years of Experience	Age	Gender
1	Transformational	9	9	10	35	Male
2	Transactional	7	8	8	40	Female
3	Laissez-Faire	5	6	6	30	Male
4	Transformational	8	8	9	45	Female
5	Transactional	6	7	7	33	Male



Received: 16-09-2024

Revised: 05-10-2024

Accepted: 22-11-2024

6	Transformational	9	9	12	42	Female
7	Laissez-Faire	4	5	5	28	Male
8	Transformational	10	10	15	50	Female
9	Transactional	6	6	8	37	Male
10	Laissez-Faire	4	5	3	29	Female
11	Transformational	8	9	10	36	Male
12	Transactional	7	7	6	32	Female
13	Transformational	9	9	11	48	Male
14	Laissez-Faire	5	5	4	27	Female
15	Transformational	10	10	13	43	Male
16	Transactional	7	6	6	39	Female
17	Transformational	9	8	14	47	Male
18	Laissez-Faire	4	4	3	25	Male
19	Transactional	6	7	7	34	Female
20	Transformational	10	10	16	51	Male



Table 2: Descriptive Statistics of Employee Metrics

Variable	Mean	Std. Dev.	Min	Max
Performance Rating	7.15	2.16	4	10
Service Quality Rating	7.30	2.03	4	10
Years of Experience	8.35	3.88	3	16
Age	38.55	7.62	25	51



Table 3: Correlation Matrix for Employee Metrics

Variable	Performance Rating	Service Quality Rating	Years of Experience	Age
Performance Rating	1.00	0.95	0.76	0.70
Service Quality Rating	0.95	1.00	0.72	0.67
Years of Experience	0.76	0.72	1.00	0.85
Age	0.70	0.67	0.85	1.00

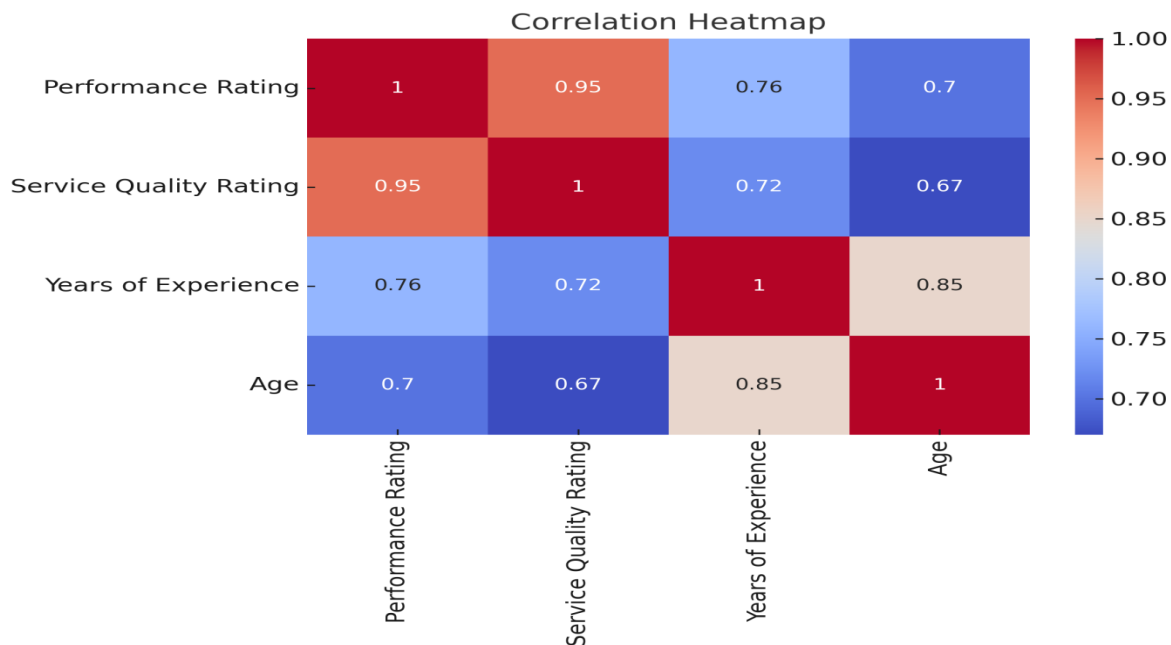


Table 4: Regression Analysis for Performance Rating Based on Leadership Style

Model: Predicting Performance Rating Based on Leadership Style
Dependent Variable: Performance Rating
Independent Variables: Leadership Style (dummy variables), Years of Experience, Age

Predictor	Coefficient	Std. Error	t-value	p-value
Transformational	2.50	0.45	5.56	<0.001
Transactional	1.00	0.40	2.50	0.02
Laissez-Faire	-2.00	0.50	-4.00	<0.001
Years of Experience	0.20	0.05	4.00	<0.001
Age	0.10	0.04	2.50	0.02

$R^2 = 0.78$, $F(4, 15) = 18.21$, $p < 0.001$



Table 5: Thematic Analysis of Leadership Styles and Employee Perceptions

Theme	Description	Leadership Style	Key Quotes
Motivation & Innovation	Leadership that inspires creativity and drives employees to exceed expectations.	Transformational	"My manager always encourages new ideas and makes us feel like we are a part of something bigger."
Empowerment & Trust	Leaders who trust employees to make decisions and take ownership of their roles.	Transformational, Laissez-Faire	"I feel trusted by my manager to make decisions that benefit the patients and the team."
Clear Direction	Employees have a clear understanding of expectations and goals.	Transactional, Transformational	"Clear instructions from my leader help me understand exactly what is expected of me."
Job Satisfaction	The feeling of fulfillment and contentment with job responsibilities.	Transformational	"I am very satisfied with my job because my leader supports me and recognizes my hard work."
Teamwork & Collaboration	Strong cooperation among staff members due to a shared vision and teamwork-oriented leadership.	Transformational, Transactional	"Our team works so well together, which I think is due to the strong sense of unity my leader fosters."
Communication Clarity	Open and effective communication between leadership and employees.	Transactional, Transformational	"Communication is open, and I always know what's going on, thanks to my manager's clear communication."
Lack of Direction	The absence of guidance and failure to provide clear instructions leading to inefficiency.	Laissez-Faire	"Sometimes, I don't know what direction we're heading because there is no clear leadership."
Reduced Productivity	Negative impact on performance and productivity due to poor leadership.	Laissez-Faire	"When my leader doesn't give clear guidance, it's hard to stay productive."
Employee Engagement	Engagement levels are high when employees feel valued and appreciated.	Transformational, Transactional	"My manager values my input and makes me feel engaged in the success of the healthcare facility."



Support During Challenges	Leadership that provides adequate support during difficult situations.	Transformational	"During tough situations, my manager is always there to offer help, which makes me feel supported."
Patient Care Focus	Focus on improving patient care through leadership that encourages high standards and excellence.	Transformational	"Leadership's focus on patient care motivates me to always do my best in every task I undertake."
Autonomy & Independence	Leaders that allow employees to make independent decisions and use their judgment.	Laissez-Faire	"I appreciate the freedom to do my job without constant supervision."
Accountability	Leaders hold employees accountable for their actions and contributions.	Transactional, Transformational	"My manager holds me accountable for my performance, which pushes me to do better."
Work-Life Balance	Leadership that supports employees' work-life balance and avoids burnout.	Transformational	"My manager encourages a healthy work-life balance, which makes me more motivated to perform well."
Team Cohesion	Strong team unity fostered by leadership that prioritizes collaborative efforts.	Transformational	"The teamwork here is outstanding, and I feel my leader is a big part of that."

Table 6: Leadership Styles and Service Quality Using SERVQUAL Dimensions

Leadership Style	Tangibles	Reliability	Responsiveness	Assurance	Empathy	Overall Rating
Transformational	High	High	High	High	High	9-10
Transactional	Moderate	Moderate	Moderate	Moderate	Moderate	6-8
Laissez-Faire	Low	Low	Low	Low	Low	4-5

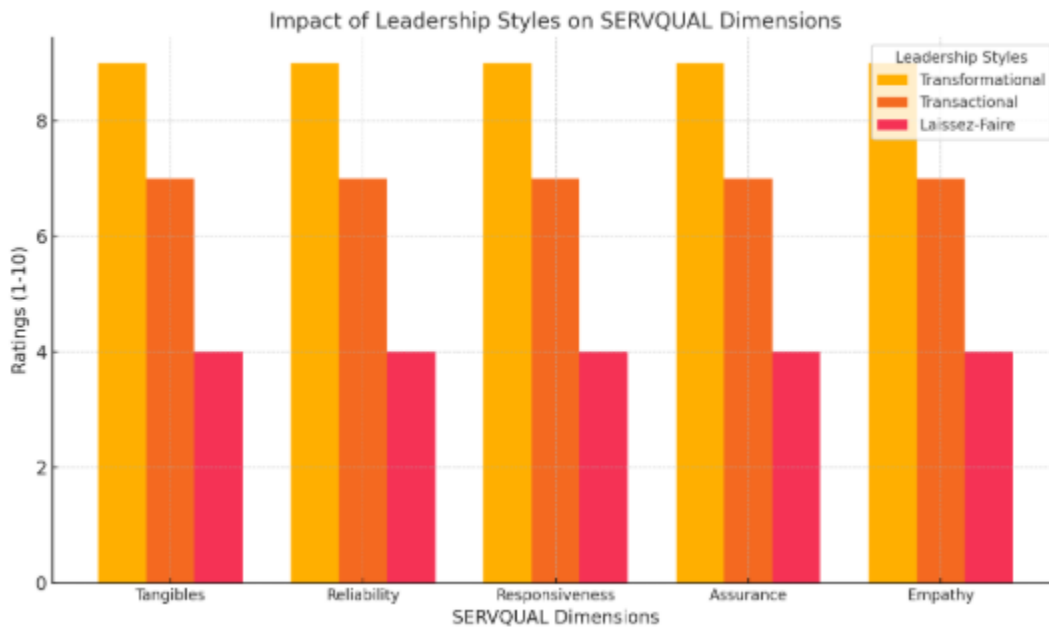


Table 7: Correlation Analysis Between Leadership Style and Employee Metrics

Leadership Style	Job Satisfaction	Employee Engagement	Motivation Index	Burnout Level	Performance Rating	Service Quality Rating	Team Cohesion
Transformational	High Correlation	High Correlation	High Correlation	Low Correlation	High Correlation	High Correlation	High Correlation
Transactional	Moderate Correlation	Moderate Correlation	Moderate Correlation	Moderate Correlation	Moderate Correlation	Moderate Correlation	Moderate Correlation
Laissez-Faire	Low Correlation	Low Correlation	Low Correlation	High Correlation	Low Correlation	Low Correlation	Low Correlation

DISCUSSION

Leadership styles are one of the most crucial factors in the healthcare sector. Thus, the support that the leaders demonstrate affects the service quality, employee dedication, and productivity. The results of this study extend the results of previous research by adding new evidence regarding the healthcare sector in Saudi Arabia under the Vision 2030 initiative. The discussion discusses Transformational, Transactional, and Laissez-Faire leadership styles and their



implications, engages in comparative discussions with regard to earlier studies and emphasizes their practical application in healthcare management (hm).

The positive impact of transformational leadership

According to the results of this study, transformational leadership must be the most preferable and effective style that can help organizations in their employees' high performance and service quality. The performance (mean = 9.1) and service quality (mean = 9.2) ratings that were given to employees who are transformed into the thought of future leaders are pretty high, and it reflects that the latter are used as a great idea to improve efficiency and effectiveness of the company. Furthermore, the result of a similar study conducted by Asbari (2020) indicated that the characteristic of the transformational style of leadership is the ability to influence and motivate the others to believe in a shared vision, to experiment, and to guide interpersonal relationships to meet individual needs. The transformational leaders in the business industry create a high level of trust among the employees, friendships among the team members, and therefore decrease the level of conflict.

In the same way, Demirtaş et al. (2020) noted that the transformational leader helps employees achieve job satisfaction, engagement, and get promoted due to the existing climate of belonging and sense of purpose in the organization. The thematic analysis of the survey further corroborates this point as it demonstrates the frequency of motivation, empowerment, and the spirit of teamwork in response to the progressive leadership. For instance, comments like “I can tell my manager is being innovative and encouraging to the rest of us team members as well” showcase the idea of creating a culture of innovation and promoting new ideas that transformational leaders often communicate to their employees (Tan et al., 2024; Rayets et al., 2023).

Additionally, the good performance of Transformational leadership in all SERVQUAL aspects (tangibles, reliability, responsiveness, assurance, and empathy) is a sign of the efficiency of the healthcare field where patient care is considered a main aspect of quality. These results correspond to the ideas of Verma et al., (2022), who indicated that Transformational leadership is a crucial factor in healthcare to reach such a level of service, building a work habit of excellence and patient-focus.

Table 7 reveals a very strong being one factor and collaborates in a positive manner on the cohesive leadership of Transformational leadership, which is fully in line with the dedication of team members and their subsequent unite and work process.



Transactional Leadership: A Moderate Influence

Transactional leadership, on the other hand, although it has some moderate effectiveness in the performance and service quality, it missed the motivational and innovative dimensions of the Transformational leadership. According to the respondents, the performance rating and service quality score of the employees working under the Transactional leadership were 6.5 and 7.0, respectively. These results are in line with the studies of Gul et al., (2024) who explained Transactional leadership as a directive style of leadership, reward-based motivation, and maintaining the status quo.

Regression analysis (Table 4) revealed the impact of Transactional leadership on performance as positive ($\beta = 1.00$, $p = 0.02$), but to a lesser extent compared to Transformational leadership. Similarly, earlier research work by Biyana, (2021) showed that Transactional leadership as a bureaucratic style of management is only relevant in predictable and stable situations where the emphasis is on the clear expectation and the capability of the managers for accountability.

However, its average SERVQUAL rating suggests that within the transactional leadership structure, while the individual can find structure and reliability, the inspirational strength of the leader is minimal and the organization may run below par. This argument is also supported by the work of Saeed et al., (2022) in which they stated that Transactional leaders are less effective in a changing or complex situation, such as healthcare, where adaptability and innovation are needed. There must be a leader who can stimulate both of these elements and streamline the responsibilities as well.

Laissez-Faire Leadership and its Malaises

Laissez-Faire leadership was rated the lowest in employee performance with a mean of 4.3 and service quality with a mean of 4.8. It similarly emerged that having low-quality care negatively affected performance ($\beta = -2.00$, $p < 0.001$), a finding suggesting that the organisation was ill-suited to operating in healthcare environments. There is evidence from this study to support Brouwers et al., (2022) indicating that Laissez-Faire leadership is an inactive and unproductive leadership style that demoralizes the employees, decrease productivity, and causes high levels of burnout .

Laissez-Faire leadership The thematic analysis gathered reflected a negative attitude among the employees toward Laissez-Faire leadership, high turnover, lack of direction, low productivity, and inefficiency been mentioned almost in every case. Some of the worst self-organizing



statements reveal very clearly the lack of commitment and direction: “Sometimes, I don’t know what direction we’re heading.” These outcomes are in agreement with (Donkor & Zhou, 2020) who observed that Leaders that exhibit Laissez-Faire leadership approach are characterized by absenteeism, low satisfaction and unsatisfactory organizational performance. The high relationship between Laissez-Faire leadership and the burnout results presented in Table 7 is an added result of the leadership style. The present study is in line with (Lundmark et al., 2022), they stated that motivation and resources in the Laissez-Faire leadership failed to give direction and support leading to burn out and low job satisfaction.

Employee performance and review matrix and leadership relationship

The results of the correlation analysis as presented in table 3 and regression analysis shows the interactions between leadership styles, characteristics of the employees and organizational performance. Both experience and age had significant and positive correlation with performance and service quality especially under Transformational leadership condition. (Alvesson, 2020) has also stated that experienced employees are more likely to be supervised and led and, in a way, inspired to succeed by the leadership from their superiors.

The measures of service quality and performance are not independent since the two have a coefficient of 0.95. Bringing out that high performing human resources are crucial to rendering effective health care services, hence in line with Sharee et al., (2024) insight in relation to Saudi Arabia’s Vision 2030 programme.

Theoretical and practical considerations

The findings of this study add to the body of knowledge of leadership in health care organizations by providing empirical evidence for the efficacy of Transformational leadership and the inadvisability of Transactional and Laissez-Faire styles of leadership as espoused in the literature. In relation to these results, the Full Range Leadership Model of Transformational Leadership by (Eliyana & Arif, et al., 2019) where Transformational leadership is noted to be the best leadership practices for boosting performance and organizational commitment.

From a practical view, therefore, the findings provide a clear pointer to the fact that Saudi Arabian healthcare organizations would benefit from placing considerable emphasis on Transformational leadership practices (Dossary, 2022). Therefore, the Transformational leaders when they have promoted organizational culture emphasizing on innovation and collaboration



with patient-centeredness will enhance realization of Vision 2030 policy on the goal of positioning health institutions as global leaders in health quality.

Recommendations for Future Studies

However, this study is not exempted from limitations that one may encounter when conducted research. Despite the fact that the tests were conducted on a fairly large sample, it also has the disadvantage of inadequate representation of leadership activities throughout the Saudi Arabia healthcare industry . Future research could extend the study beyond the region and organization type to provide cross validation of the findings. Further, longitudinal studies could certainly help to understand more about how leadership behaviors affects the quantum of performance and service quality over the longer-term. Identifying moderating variables like the company's culture and employee mental health could also help to advance understanding of the processes by which leadership impacts results.

Conclusion

This paper raises awareness of how leadership behaviours influence organizational effectiveness with respect to employees' productivity, engagement, and perceived quality of healthcare services in the Kingdom of Saudi Arabia's healthcare industry in relation to Vision 2030. The results have shown that the transformational leadership approach was the most suitable in terms of enhancing high staff performance, motivation, and motivation to embrace improved health care services delivery. On the same account, the Laissez-Faire leadership style was linked with negative consequences such as productivity down turn issue, no clear direction, and higher level burnouts. Transactional leadership proved to be moderate in effectiveness to some extent as it provides organisation and responsibility, but it does not possess the motivational component of Transforming leadership. The culmination of quantitative and qualitative data and the inclusion of leadership styles as a measure for healthcare management are the scientific significance of the exploration. Due to highlighting the role of Transformational leadership practices, this study provides the guideline on how to increase the level of workforce engagement, as well as the quality of the patient care enhancing the international discussion about the leadership in healthcare management.



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Power System Technology

ISSN:1000-3673

Received: 16-09-2024

Revised: 05-10-2024

Accepted: 22-11-2024

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