Leadership Style and Employee Motivation: A Study of Saudi Arabian Work Environment

Estilo de liderazgo y motivación de los empleados: un estudio del ambiente de trabajo de Arabia Saudita

Saad Al Altheeb
Prince Sattam Bin Abdulaziz University, Alkharj, Saudi Arabia
ORCID: https://orcid.org/0000-0002-9746-2564

Received 02-12-20  Revised 02-25-20  Accepted 06-13-20  On line 06-29-20

*Correspondence
Email: s.altheeb@psau.edu.sa

Cite as:

© Universidad San Ignacio de Loyola, Vicerrectorado de Investigación, 2020.

This article is distributed under license CC BY-NC-ND 4.0 International (http://creativecommons.org/licenses/by-nc-nd/4.0/)
Summary

Leaders motivate employees through setting in place structures aimed at taking full advantage of employee’s potential, organization resources and providing direction. Conversely, they can severely cause difficulty in inspiring confidence, buying into firm’s goals, promoting alignment and fostering collaborative environment. Therefore, this research aims at investigating relationship leadership style and motivation of employees. An intensive review of literature has been conducted highlighting employee motivation, leadership style (Authoritarian, Paternalistic, Transformational, Laissez-faire). The data were collected through questionnaire which was distributed to government employees working in Alkhark (Riyadh region) and 130 valid responses were received. SPSS 22 was used to carry out statistical analysis and the results indicated an overall positive significance of leadership styles and motivation. The overall impact of leadership styles together on motivation was found as 66.5% ($R^2=0.665$). The unique effects of each Paternalistic, Transformational and Laissez-faire style on motivation was found positive and significant. Whereas, the relationship between authoritarian leadership style and motivation was found insignificant. It is recommended that leaders in Saudi Arabia work environment must follow paternalistic and transformational leadership styles to enhance motivation level of their employees.

Keywords: Leadership; Motivation; Transformational; Paternalistic; Autocratic; Laissez-Faire; Saudi Arabia.

Introduction

In the contemporary organizational and business environment characterized by intense competition, demand of high-quality services and products, globalization, and need for optimized efficiency, importance of leadership and the approaches integrate by respective leaders has grown into a critical element. Building a business entity that aligns with modern, productivity, and competitiveness as well as fostering a long-lasting team and organizations goals is perceived as essence elements for organizational sustainability and growth (Gibson, 2011; Lofsten, 2016). In essence, human beings strive to changes whether in the living environment or expectation of
products/services offered relating to ever-changing demands, expectation, perception, and working environment.

In current workplace, leaders and employees alike faces numerous challenges emanating from technological advancements, globalization, demographic shifts, customer needs and motivations, and information and available choices to workforce (Bolden, 2016). Collectively, these have led to complexity in not only operating spectrum but also its cultural aspect including demand form more commitment and input from workforce. Ideally, the purpose of leader in performance management is to improve quality outcomes, productivity, and consumer satisfaction in business perspective. Statistically, a motivated workforce ultimately results in higher organizational and employee performance measured by attainment of mission, pre-set goals and objectives, efficiency, sustainability, bottom line, growth, and competitiveness (Nyberg et al., 2016). Establishing a motivational strategy demands taking into consideration factors that drive employees both individually and collectively to their peak performance and thus the leaders influence employee effectiveness (Saad & Abbas, 2019).

Undeniably, leaders have direct influence on employee behavior, effort, input, and consequently output. The expectation of employees is that behaving in specified or certain ways directly affects their desired outcome including if and how the tasks are performed (Elliot et al., 2017). Presently, there are numerous approaches stipulating ways in which leaders should integrate into organizational culture and personal values in order to reach to positive drivers of each employee and as a team. Motivation is a fundamental element that pushes civilization, innovativeness, and growth whether personal or organizational. In essence, motivated individuals can do any tasks no matter how insignificant, difficult, or impossible it may seem. In workplace, employee motivation happens at different levels and scale depending cultural and leadership values observed by an organization but arguably the approach deployed has implication either positive or negative on employee commitment to their respective tasks, personal and organizational objectives, and team and their ultimate goals (Recklies, 2014; Professionals Australia, 2017). Fundamentally, understanding individual and team’s driving factors is key in strategizing towards employee motivation. Experiments have demonstrated happy employees where they have a welcoming in which can perform given task with flexible schedule, availed opportunities, and reasonable benefits packages increases their commitment and productivity by more than 20%.

Research Gap

Presently, numerous studies have been conducted on employee motivation, it influences on organizational and personal performance, different approaches that can be implemented by leaders to enhance employee output, and influence leaders on employee commitment and performance. Researchers and professionals have proposed numerous approaches in which leaders can integrate into organizational culture aimed at enhancing individual and team’s performance. Following extensive going through the literature it is apparently that employee commitment to tasks and leadership have significant correlation directly interlinked with each other. However, little findings are available on the influence of leadership style have employees driving factors. In this perspective, there is a need for studies to establish the implication held by leaders and its corresponding degree to which employee’s commitment motivation is affected by implements style of leadership in the workplace. Importantly, there is a need for studies and leaders in the field to understand the influence a style of leadership deployed has on workers’ behaving or acting in a particular manner as well as their perception towards personal and organizational goals. As such, key research question will be ‘what are the impacts of leadership style integrated by an organization on employee motivation?’
Research problem and justification

For organizations that include business entities to attain effectively and efficiently their formulated goals, gaining competitive advantages, sustainability, efficiency, consumer satisfaction, and enhancing their bottom line, the fundamental elements is leadership approach and employee motivations. Failure in any of these concepts for instance low employee’s motivation will ultimately lead to low input (effort and time) and consequently poor services and product quality and efficiency in resource usage. As such, holds that leadership style integrate by a given organization have significantly implication on respective employee outcome has it influenced their driving forces at workplace. Therefore, this research is based on impacts of leadership style on employee’s motivation.

Research Objectives and hypotheses

This investigative study aims to outline influences held by leadership style implemented by respective leaders in the workplace on employee motivation to achieving high quality services and products, meeting goals and objectives effectively, and enhancing the firm’s efficiency. It will follow the objectives below in establishing research framework, data collection, and analysis.

1. To critically assess existing literature on leadership style and employee motivation
2. To determine to what extent does leaders influence the employee’s driving factors in workplace
3. To investigate relationships between leadership approach implements by an organization and its employee’s motivation
4. To examine factors linking leaders and employee to commit more to their task and duties
5. To critically appraise acquired data and develop evidence-based assertion on influence of leadership style on employee’s commitment.

This study will focus on testing the following hypotheses related to employee motivation and leadership styles integrated within workplace.

H1: There exists a relationship between leadership styles and employee motivation in workplaces?
H2: Authoritarian leadership style enhances employee motivation.
H3: Paternalistic leadership style enhances employee motivation.
H4: Transformational leadership style enhances employee motivation.
H5: Laissez-faire leadership style enhances employee motivation.

Theoretical background to the research- Literature Review

Leadership styles

The conceptual framework below outlines the step-by-step process that will be undertaken in solving the research problem and pre-formulated questions. First step is defining core variables of leadership and motivation, highlighting different leadership styles, and lastly interlink of these research variables following in depth interview of employees.
Research Model

<table>
<thead>
<tr>
<th>Leadership Styles</th>
<th>Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Authoritarian</td>
<td>H</td>
</tr>
<tr>
<td>- Paternalistic</td>
<td></td>
</tr>
<tr>
<td>- Transformational</td>
<td>H2, H3, H4, H5</td>
</tr>
<tr>
<td>- Laissez-faire</td>
<td></td>
</tr>
</tbody>
</table>

Over the years, studies have highlighted many leadership approaches such as transformational, democratic, laissez-faire, paternalistic, authoritarian, and transactional styles. The differentiating component in these leadership mechanisms is decision making process. In autocratic surrounding, leaders do not allow junior employees to be involved in the decision making, employees’ opinion and perspective are not taken into consideration in designing organization policies (Jogulu, 2010; Pekerti, & Sendjaya, 2010). According to Harold and Holtz (2015), in the situation demanding in depth involvement or great deal of pressure, strict adherence to stipulated procedure, or need for high quality outcome, the type of leadership style employed ensures the followers perform tasks required of them while avoiding making complex decisions. Tuckey et al. (2017) and Samad (2015) perceived the technique set in place platform where it allows group develop into highly skilled at performing assigned tasks and under stipulated rules for instance in military and construction industry. As illustrated by Trivisonno and Barling (2016), the efficiency of the organizational activities emanates from the fact that one person is in charge of organizational operation that include setting roles, assigning task, and stipulating quality and time frame of the tasks. The two most prominent leadership approaches are transformational and authoritarian.

Authoritarian Leadership Style

In authoritarian leadership setting, Alkahtani et al. (2011) asserted autocratic also referred to as authoritarian leadership is an approach where the leaders have full control over the decision-making process strategizing on organizational approaches including problems solving techniques and taking advantages of opportunities with little regard of advice and opinion from followers. Studies on the beneficial attributes of autocratic leadership have placed emphasis on time and convenience in decision making process. According to Nanjundeswaraswamy and Swamy (2012), leaders can make a decision concerning an organization or a group without consulting or seeking approval from large group of people. In same argument, Northouse (2017) asserted that some decision requires strong leadership traits for approaches and things to be done efficiently and in timely manner. Solaja et al. (2016) argued that if the leaders or manager is the most knowledgeable or experienced person in the group, the technique will ultimately lead to effective and fast decision-making process.

Paternalistic leadership style

Researching on application of paternalistic leadership style Dedahanov et.al. (2016) and Jogulu (2010) found that it is most applicable in occasions where leadership has been lacking predominantly in small groups characterized by poor organizational and time management and problem with developing and implementing effective strategies. According to Steers et al. (2012),
strong paternalistic take control of the team or organization, assign tasks to members accordingly, and setting strategic roadmap including deadline and quality for the tasks. Nevertheless, like authoritarian leadership technique, studies perceive this leadership approach problematic being termed dictatorial and controlling (Chen et al., 2014; Chan, 2014). According to Dinham et al. (2011) and Jeon et al. (2010), both approaches (paternalistic and authoritarian) follows very little room for employee engagement and feedback that leads to failure to foster their engagement, morale, and resentment. Study conducted by Zhang and Bartol (2010) on empowering leadership and employee creativity, revealed close supervision levied by some leadership approaches aimed at improving productivity and reducing stress actually results in unmotivated, fearful, resentful, and lack of work ownership. As pointed by Bello (2012), the technique is largely grounded on attributes and abilities of a leader. It the scenario where s/he is weak, incompetent, and lacks critical thinking and problem-solving skills, the entire organization may suffer great consequences.

Transformational leadership style

In addition to possessing good judgment skills, communication skills, and interpersonal skills, transformational leaders have the ability to inspire and stimulate followers to attain their potential (Saad & Abbas, 2018). According to Liaw et al. (2010), the leaders within this category put the personal goals of both an organization and employees at center of the strategy by setting strategies where the followers can develop and growth. Choi et al. (2016) demonstrated transformational leaders empower indispensable job satisfaction among employees but also enhances employee-leaders job relationship. Examining the relationship between job satisfaction and commitment and transformational leadership. Top et al. (2015) indicated that fundamental element in organizational setting is employee engagement and development of platform driven by leaders can optimize employees’ potential.

Laissez-faire leadership style

On the other hand, laissez-faire leadership approach posit the element of developing conducive working environment through making employees be part of the larger organization, involved in decision making, and cultivating an goal-oriented mentality. According to Bellom (2012) and Zareen et al. (2015), this type of leaders inspires through working with follower in achieving a common goal while promoting individual self-efficacy and belief of going beyond expectation at personal and organizational level.

Employee motivation

Presently, numerous studies have been conducted on employee motivation, it influences on organizational and personal performance, different approaches that can be implemented by leaders to enhance employee output, and influence leaders on employee commitment and performance. Theoretically, employee motivation measures the commitment, creativity, and energy individuals bring into given tasks. Irrespective of organizational size or industry, employee motivation can have an incremental influence growth and performance of an organization. According to Lazaroiu (2015), lack of workforce motivation can be harmful causing such problems as complacency, disinterest, and widespread discouragement. Studies have demonstrated that employees perceive their contribution and performance in the form of long-term effect exert to an organization and making a difference. Taking into consideration individual views leading to positive results give a feeling of accomplishment and valuable (Yahaya, and Ebrahim, 2016; Northouse, 2018).

Data collection and Statistical Analysis

In order to have an in depth understanding of ways and the degree to which leadership and motivation influence each other, this study aims to follow quantitative research framework.
adopted from Vann et al. (2014). A questionnaire to 150 employees who work in different sectors as well as diverse nationality was distributed to randomly selected employees. Overall 130 valid questionnaires were received back which were used in the research for statistical analysis. SPSS 22 was used to analyze the results.

Results and Discussion

The random sample consisted of 130 valid responses includes employees who had multiple years’ experience in work life and majority of them were on managerial positions. Job experience has on average to ten years and their educational level ranged from diploma holders to Phd levels. Minimum age of respondents has 20 years and maximum was 60 years. The sample was indeed a mix of all kinds of employees with a multi years of job experience, rank, age and educational level. Table-1 below shows the frequencies, means, standard deviation, skewness and kurtosis values. The distribution clearly shown a presence of non-symmetric data as kurtoses and mean values vary significantly. Likewise, the skewness data shows a positive lean which is indeed the depiction that the respondents were more aged, qualified, experienced and having more responsibility positions in the organization.

Table 1. 
*Descriptive statistics*

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Experience (Years)</td>
<td>130</td>
<td>1.97</td>
<td>.825</td>
<td>.681</td>
<td>.058</td>
<td>-1.531</td>
</tr>
<tr>
<td>Job Rank</td>
<td>130</td>
<td>1.29</td>
<td>.457</td>
<td>.208</td>
<td>.924</td>
<td>-1.164</td>
</tr>
<tr>
<td>Education Level</td>
<td>130</td>
<td>2.30</td>
<td>.903</td>
<td>.816</td>
<td>.136</td>
<td>-.782</td>
</tr>
<tr>
<td>Age in Years</td>
<td>130</td>
<td>2.81</td>
<td>.872</td>
<td>.761</td>
<td>.457</td>
<td>-.342</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>130</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reliability analysis as was carried out through conducting Cronbach alpha test as shown in the table-2 and the values of the scale used in the research and the variables applied to it was found acceptable as it comes to 0.79. There is a general understanding of the researchers that if the Cronbach alpha test value comes more than 0.7, that scale and the variables part of that scales can be taken along the research. Therefore, the findings achieved as a result of this research are acceptable by the research community. However, the Cronbach alpha value for the variable scales was found as 0.904 which is highly appreciable to rely on the findings of this research. The table-3 shows the SPSS output for the variables included in the analysis and it explains that all four leadership styles variables as independent variables and motivation as dependent variable were taken into the analysis.
Leadership Style and Employee Motivation: A Study of Saudi Arabian Work Environment

Table 2
Reliability Analysis and Variables Inclusion

<table>
<thead>
<tr>
<th>Items Type</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Scale items</td>
<td>.790</td>
</tr>
<tr>
<td>Variables Only</td>
<td>.904</td>
</tr>
</tbody>
</table>

Table 3
Variables Inclusion

<table>
<thead>
<tr>
<th>Variables Entered/Removed&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Model</th>
<th>Variables Entered</th>
<th>Variables Removed</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>Laissez-faire, Paternalistic, Authoritarian, Transformation&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.</td>
<td>Enter</td>
</tr>
</tbody>
</table>

<sup>a</sup> All requested variables entered.
<sup>b</sup> Dependent Variable: Motivation

Correlation coefficients are the measures of assessing relationships between the two variables. Following table-4 shows the relationship between leadership styles and employee motivation. Furthermore, it also highlights the internal relationships of each variable. Going through the relationships, it is quite obvious that all relationships showing a positive significance whereas the highest positive relationship was observed through r=0.717 with motivation and paternalistic type of leadership. A positive but weak relationship was observed between motivation as a dependent variable with laissez-faire style of leadership as correlation coefficient value come as r=0.613. The overall internal relationship among all the variables in the data are also positive.

Table 4.
Correlation test

<table>
<thead>
<tr>
<th></th>
<th>Motivation</th>
<th>Authoritarian</th>
<th>Paternalistic</th>
<th>Transformation</th>
<th>Laissez-faire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1.000</td>
<td>.641</td>
<td>1.000</td>
<td>.717</td>
<td>.754</td>
</tr>
<tr>
<td>Authoritarian</td>
<td>.641</td>
<td>1.000</td>
<td>.616</td>
<td>.687</td>
<td>.663</td>
</tr>
<tr>
<td>Paternalistic</td>
<td>.717</td>
<td>.616</td>
<td>1.000</td>
<td>.686</td>
<td>.502</td>
</tr>
<tr>
<td>Transformation</td>
<td>.754</td>
<td>.687</td>
<td>.686</td>
<td>1.000</td>
<td>.649</td>
</tr>
<tr>
<td>Laissez-faire</td>
<td>.613</td>
<td>.663</td>
<td>.502</td>
<td>.649</td>
<td>1.000</td>
</tr>
</tbody>
</table>

The model fitness summary as shown below in table-5 clearly depicts the significance of the results as the value of significance less than 0.5 level of rejection. The other results like R² (R-square) which is an indicator of the overall impact of the leadership styles on the motivation of employee shows a value of 66.5%. This value indicates that the leadership styles overall, without considering the individual style, impact is to change the motivation level of the employee by 66.5%, likewise the value of F-change which is 61.9 11 is an indicator of highest level of additive effect on the change of motivation level of the employees when all the styles are taken together.
The model overall shows the fitness of the variables taken into constructions and gives a significant positive relationship. However, the significance level value is 0.00 which is an indicator that all the results of the model are truly acceptable.

Table 5.
Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>.815*</td>
<td>0.665</td>
<td>.654</td>
<td>.53457</td>
<td>.665</td>
</tr>
</tbody>
</table>

The ANOVA table results are usually expressed as a common practice along with the findings of results given in model summary. The table-6 shows the results of ANOVA test and clearly indicates the significance value less than 0.05 level of significance. The overall difference value of regression is 4 and F-value is 61.911. Therefore, the regression expression for the regression model can be written as \{F(4,125)=61.911, p<.001, R^2=0.665\}. The researcher can draw a conclusion that the predictors for the predicting variables all together such as leadership styles (Authoritarian, Paternalistic, Transformational, Laissez-faire) have a significant positive relationship with the motivation and they can have a collective effect on the change of motivation level of the employees. ANOVA test has the limitation to explain the overall effect of the relationship but it does not give the individual effect of each independent variable on the dependent variable.

Table 6.
ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>70.766</td>
<td>4</td>
<td>17.692</td>
<td>61.911</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>35.720</td>
<td>125</td>
<td>.286</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>106.486</td>
<td>129</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Laissez-faire, Paternalistic, Authoritarian, Transformation  
b. Dependent Variable: Motivation

The coefficients table-7 below covers the limitation inherited in the ANOVA test. Following results indicate the unique effect of each variable on the motivation enhancement. Let’s discuss the last column which shows significance level and it indicates that authoritarian style of leadership does not have a significant relationship with the motivation as the value of P is 0.34 which is greater than our acceptable limit. The two independent variables such as paternalistic and transformational leadership styles have a truly significant relationship with the dependent variable because the significance values are 0.000, which are under acceptable limits. The fourth variable (Laissez-faire) has a weak significance level because its value is 0.042 which is just approaching the rejection region. This shows that Laissez-faire has a minimal effect on the motivation level of the employees.
Conclusion

The statistical findings of the statistical analysis clearly indicate that the leadership styles all together have a positive effect on the enhancement of motivation level of the employees. This proves our first hypothesis which says that leadership styles have an overall effect on the motivation level of the employees and this effect has been calculated in the form of $R^2$ as 66.5%. From this hypothesis, we can draw an inference that if the managers in the organizations are able to follow the leadership styles as given in the theory and are seen in the practice, they can help increasing the motivation level of their employees. The second hypothesis that the authoritarian leadership style enhances employee motivation does not prove correct, so it is rejected because its significance level was not within the prescribed limits. In practice this is also evident that the authoritarian leaders are unable to enhance the motivation level of the employees, so this finding is consistent with the practice of the leaders. Our third and fourth hypotheses such as paternalistic and transformational leadership styles help enhancing employee motivation prove true as their relationship has been found significant and their unique effects has been observed as 34% and 37% respectively. The fifth leadership style i.e Laissez-faire was found to have weak relationship with the motivation level as its significance value was 0.042 and its beta value was 0.152. Given the significance value and the beta value, it transpires that this variable has near 15% unique effect to enhance motivation level of employees.

This research was conducted in Saudi Arabian work environment which is heavily dominated by team and committee assignments at each level of the organization. Majority of the work assignments which involve deliberations and special decisions are conducted through formation of committees. These committees usually have the people sometimes from within the department or from other departments as well depending upon the expertise of the people who are to be considered appropriate to the committees, so all recommendations and the topic deliberated in the committees are usually forming the decisions. Under such work environment, the findings of authoritarian leadership styles impact as insignificant on the motivation level is obvious and is understood. The other work culture values are respect, mutual confidence and promotion of the people. The values dominance is exhibited in the paternalistic style of leadership and transformational leadership styles unique effects on enhancing the motivation level of the employees. These findings are quite obvious and are seen consistent with the Saudi work culture. The lesser impact of Laissez-faire variable is also understood because there were mutual positive correlations of all the variables to each other and they were approaching positive level, so the impact of Laissez-faire impact has been shadowed.

Acknowledgement

This research publication was supported by the Deanship of Scientific Research at Prince Sattam bin Abdulaziz University, Alkharj, Saudi Arabia
References


