

# **INFLUENCES OF LEADERSHIP, RESOURCES, AND WORK ENVIRONMENT ON EMPLOYEE PERFORMANCE: AN EMPIRICAL STUDY AT THE MINISTRY OF FOREIGN AFFAIRS IN SAUDI ARABIA**

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## **Abstract**

This empirical study explores the interrelationships between leadership styles, resource allocation, and work environment, and their collective impact on employee performance at the Ministry of Foreign Affairs in Saudi Arabia. Employing a quantitative research methodology, the study analyzed responses from a diverse sample of employees across various departments within the Ministry, achieving a high response rate which enhances the generalizability of the findings. The results indicate that democratic leadership styles are significantly associated with higher employee performance, underscoring the value of inclusive and participative management practices. Adequate resource allocation, especially in terms of access to technological tools and professional development opportunities, was found to be crucial in enhancing employee productivity and satisfaction. Additionally, a supportive work environment—characterized by positive interpersonal relations and organizational support—significantly boosts employee morale and performance.

These findings corroborate and extend theories in transformational leadership and resource-based views, highlighting how the strategic management of human and material resources can significantly influence employee outcomes in a public sector context. The study recommends the adoption of democratic leadership training, strategic resource distribution policies, and initiatives to foster a supportive work environment. These changes are poised to enhance organizational efficiency and employee satisfaction, aligning with broader governmental goals under Saudi Arabia's Vision 2030.

The study's cross-sectional design limits causal inference, suggesting a need for longitudinal research to observe the effects of interventions over time. This research contributes to the strategic management literature by providing a nuanced understanding of how leadership, resources, and environment interact to affect employee performance, offering actionable insights for policymakers and administrators within the public sector.

**Keywords:** Leadership Styles, Resource Allocation, Work Environment, Saudi Arabia

## 1. Introduction

Effective organizational practices are pivotal for the efficiency and success of government sectors. Within these entities, such as the Ministry of Foreign Affairs in Saudi Arabia, optimal performance is a function of multiple organizational factors, including leadership, resource allocation, and work environment. The interplay between these elements not only shapes employee performance but also influences broader outcomes like policy implementation and diplomatic success (Didier, 2002; Zia et al., 2022).

Despite the critical role of organizational factors in shaping employee performance, gaps exist in comprehensively understanding their cumulative effects within the context of Saudi Arabia's public sector. Previous research has often treated these elements in isolation, failing to account for their interconnected impact on performance metrics. This lack of integrated understanding presents challenges in crafting targeted interventions that could enhance productivity and satisfaction among employees (Mellahi, 2017; Hunjra et al., 2022).

The primary aims of this study are:

1. To investigate the impact of various leadership styles on employee performance within the Ministry.
2. To assess how resource allocation influences productivity and job satisfaction.
3. To evaluate the role of the work environment in fostering a productive and positive organizational climate.
4. To examine the synergistic effects of these organizational factors on overall performance.

This research holds significant theoretical and practical implications. Theoretically, it extends the existing literature on organizational behavior by providing a nuanced analysis of how multiple factors influence employee performance within a crucial public sector context (Aquilani et al., 2017; Asante & Ngulube, 2020). Practically, the findings are poised to inform policy decisions and management practices at the Ministry of Foreign Affairs in Saudi Arabia, offering evidence-based strategies to enhance operational efficiency and employee engagement (Abu Salim et al., 2019; Ahmed & Idris, 2021). This study's outcomes are expected to be instrumental for policymakers, organizational leaders, and stakeholders interested in optimizing public sector performance in Saudi Arabia and similar contexts.

## 2. Literature Review

### 2.1 Theoretical Framework

The theoretical underpinnings of organizational behavior and performance draw from diverse models that conceptualize employee performance as a multidimensional construct. Notably, Hunjra et al. (2022) argue that employee performance extends beyond mere task execution to include the capacity to meet organizational expectations efficiently. Complementing this, organizational environment theories suggest that internal and external organizational factors critically influence performance (Zafar et al., 2022). Moreover, the resource-based view posits that organizational capabilities and resources are pivotal for sustained competitive advantage and performance (Barney, 1991). This study leverages these theories to examine the interrelations between leadership styles, resource allocation, work environment, and employee performance.

Additionally, leadership theories such as Transformational Leadership (Bass & Avolio, 1994) emphasize the role of leaders in inspiring and motivating employees to achieve higher performance levels beyond expectations. These theories argue that effective leadership transforms organizational capacities by fostering an environment that promotes innovation, collaboration, and commitment.

### 2.2 Previous Studies

Empirical research has extensively documented the impacts of leadership, resources, and work environment on employee performance. Leadership styles, ranging from autocratic to democratic, significantly dictate organizational climate and employee productivity (Bass & Avolio, 1994). Resource management practices are shown to correlate with operational efficiency and employee satisfaction (Wernerfelt, 1984). Additionally, the work environment, encompassing physical, psychological, and social dimensions, directly influences job satisfaction and performance (Herzberg, 1966). For instance, studies by Didier (2002) and Hunjra et al. (2022) highlight how supportive work environments foster higher employee engagement and output.

In terms of resources, studies underscore the importance of strategic resource allocation in enhancing operational efficiency and employee satisfaction (Wernerfelt, 1984; Peteraf, 1993). Efficient resource management, including human, financial, and technological resources, is consistently linked with better organizational

performance metrics such as productivity, profitability, and market share.

The work environment, encompassing factors such as physical workspace design, social interactions, and organizational culture, has been extensively analyzed for its impact on employee well-being and performance (Herzberg, 1966; Sundstrom et al., 1994). Supportive and enriching work environments are shown to significantly boost employee morale, reduce turnover rates, and enhance productivity. Moreover, the specific impacts of these factors in the context of Saudi public sector reform initiatives, such as those under Vision 2030, remain underexplored. This study aims to bridge these gaps by providing empirical insights from the Ministry of Foreign Affairs in Saudi Arabia, thus offering a nuanced understanding that could inform both theory and practice.

### 2.3 Gaps in Literature

While existing literature elucidates the individual effects of leadership, resources, and work environments on performance, there remains a paucity of research integrating these variables within the context of public sector organizations in Saudi Arabia. Previous studies often isolate these factors without considering their cumulative and interactive effects on employee performance (Zia et al., 2022). This study aims to fill this gap by investigating how these organizational factors interact and collectively impact employee performance at the Ministry of Foreign Affairs in Saudi Arabia, providing a holistic understanding that could guide policy and administrative reforms.

### 2.4 Integrative Models of Organizational Performance

Recent advancements in organizational theory have emphasized the need for integrative models that encapsulate the complex interactions between leadership, resources, and the work environment. These models advocate for a systems approach, where the interdependencies of organizational elements are recognized and analyzed within a holistic framework (Katz & Kahn, 1978; Nadler & Tushman, 1997). Such models are particularly useful in explaining the nuanced mechanisms through which different organizational assets interact to produce collective outcomes.

### 2.5 Cross-Cultural Leadership Studies

Cross-cultural studies in leadership offer valuable insights into how leadership practices can be adapted to fit diverse cultural contexts. Hofstede's cultural dimensions theory (Hofstede, 1980) provides a framework for understanding how leadership styles can be optimized for specific cultural settings, which is

crucial for multinational organizations and diverse workplaces like the Saudi public sector. These studies highlight the variability in employee responses to leadership behaviors across different cultures, suggesting that what is effective in one cultural context may not be in another.

### 2.6 Resource Allocation in Public Sector Organizations

The literature on resource allocation in public sector organizations points to unique challenges not present in the private sector. Public sector entities often face more stringent regulatory environments, budgetary constraints, and political influences that can significantly impact resource distribution and utilization (Rainey, 2014). Understanding these dynamics is critical for assessing how resource management practices affect performance in governmental organizations.



Figure 1 Research Framework

### 2.7 Work Environment and Employee Well-being

The linkage between the work environment and employee well-being has been extensively documented, with studies showing that a positive work environment can lead to reduced stress, lower absenteeism, and higher job satisfaction (Warr, 1994; Wright & Cropanzano, 2000). In the public sector, where job stress can be high due to bureaucratic pressures, creating a supportive work environment is especially important for maintaining employee morale and productivity.

### 2.8 The Impact of Digital Transformation

In the context of Saudi Arabia's Vision 2030, the role of digital transformation in enhancing organizational performance is becoming increasingly relevant. Digital tools and platforms can streamline processes, enhance resource management, and improve communication and collaboration within organizations. Research on the

impact of digital technologies on organizational performance is growing, but there remains a need for more empirical studies focused on the public sector's unique characteristics (Mergel, 2016).

### **3. Research Methods**

#### **. 3.1 Research Design**

The study utilized a quantitative research design, which was chosen due to its effectiveness in quantifying the impact of various organizational factors—leadership, resources, work environment—on employee performance. This approach allows for statistical analysis to measure the relationships and effects between the defined variables. Quantitative methods were deemed appropriate for testing the predetermined hypotheses and for handling the large data volume that this study anticipated, ensuring precision and objectivity in measuring the influence of different organizational dimensions on employee performance.

#### **. 3.2 Research Design**

The population for this study comprised employees of the Ministry of Foreign Affairs in Saudi Arabia, including various departments and hierarchical levels to ensure a comprehensive understanding of the organizational dynamics. Stratified random sampling was employed to select participants, ensuring each department and employee category was proportionately represented in the sample. This method facilitated an equitable representation of all segments of the ministry, thereby enhancing the reliability and generalizability of the findings.

#### **. 3.3 Data Collection Methods**

Data was collected using a structured questionnaire, distributed both in physical and digital formats to accommodate the preferences and accessibility of respondents. The questionnaire included sections designed to assess perceptions of leadership style, resource allocation, work environment quality, and their effects on employee performance. Prior to distribution, the questionnaire was pilot tested with a small segment of the target population to refine questions for clarity and ensure the reliability of the instrument.

#### **. 3.4 Analytical Techniques**

Data analysis was conducted using the Statistical Package for the Social Sciences (SPSS), which facilitated a robust examination of the collected data through various statistical tests. Descriptive statistics were used to outline

the basic features of the data in the study, providing simple summaries about the sample and the measures. Inferential statistics, including regression analysis, were employed to determine the relationships between independent variables (leadership, resources, work environment) and the dependent variable (employee performance). This analysis helped in understanding the extent to which each independent variable predicts employee performance, thereby testing the research hypotheses quantitatively.

### **4. Result Findings and Discussion**

#### **4.1 Data Description**

The study achieved a high response rate, with 86% of the distributed questionnaires returned and deemed usable for analysis. The respondents comprised a diverse group of employees from various departments within the Ministry of Foreign Affairs in Saudi Arabia, including both male and female participants, with ages ranging from 25 to 55 years. The demographic profile indicated a balanced representation across different management levels and functions, which supports the generalizability of the findings across the ministry.

#### **4.2 Analysis and Findings**

##### **Leadership Styles**

The results revealed significant variations in employee performance based on perceived leadership styles. Democratic leadership styles were strongly associated with higher employee performance metrics, particularly in terms of job satisfaction and productivity. Employees under democratic leaders reported feeling more valued and exhibited higher engagement levels. Conversely, autocratic leadership styles were negatively correlated with performance, where such environments were characterized by lower job satisfaction and reduced proactive engagement among employees.

##### **Resource Allocation**

Effective resource allocation was found to be a critical factor influencing employee performance. Departments that were well-resourced reported higher efficiency and better job performance outcomes. Specifically, the availability of adequate technological tools and access to professional development opportunities were highlighted as key contributors to enhancing employee productivity and satisfaction. This finding underscores the importance of strategic investment in resources to foster an enabling work environment.

##### **Work Environment**

The impact of the work environment on employee performance was profoundly positive. Factors such as workplace safety, interpersonal relations, and organizational support were pivotal. A supportive work environment, marked by open communication and mutual respect, was linked to higher job satisfaction and better performance ratings. Moreover, environments that promoted work-life balance and employee well-being directly influenced retention rates and overall job performance positively.

These findings are instrumental in highlighting how leadership styles, resource allocation, and work environments collectively influence employee performance at the Ministry of Foreign Affairs in Saudi Arabia. Each of these factors plays a significant role in shaping the overall productivity and job satisfaction levels, which are crucial for achieving organizational goals and effectiveness.

*Descriptive Statistics*

	N	Minimum	Maximum	Mean
OL1	364	1	5	4.03
OL2	364	2	5	4.34
OL3	364	2	5	4.37
OL4	364	1	5	4.22
OL5	364	2	5	4.16
OIM1	364	1	5	4.24
OIM2	364	2	5	4.34
OIM3	364	1	5	4.29
OIM4	364	2	5	4.33
OIM5	364	2	5	4.04
OR1	364	2	5	4.30
OR2	364	2	5	4.50
OR3	364	2	5	4.41
OR4	364	3	5	4.44
OR5	364	2	5	4.40
SWE1	364	3	5	4.46
SWE2	364	3	5	4.33
SWE3	364	3	5	4.41
SWE4	364	3	5	4.37
SWE5	364	2	5	4.29
EP1	364	3	5	4.32
EP2	364	1	5	4.03
EP3	364	2	5	4.27
EP4	364	3	5	4.27
EP5	364	1	5	4.10
Valid N (listwise)	364			

Table Descriptive statistics

*Reliability Statistics*

Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted	Cronbach's Alpha	N of Items
OL1	17.08	5.875	0.583	0.813	0.831	5
OL2	16.77	6.278	0.584	0.810		
OL3	16.75	6.243	0.657	0.792		
OL4	16.90	5.577	0.706	0.774		
OL5	16.95	6.074	0.632	0.797		
OIM1	17.00	6.774	0.659	0.869	0.881	5
OIM2	16.89	6.617	0.806	0.835		
OIM3	16.95	6.488	0.781	0.840		
OIM4	16.91	7.028	0.703	0.859		
OIM5	17.19	6.586	0.649	0.874		
OR1	17.75	5.443	0.586	0.855	0.861	5
OR2	17.54	4.971	0.736	0.818		
OR3	17.64	4.840	0.750	0.814		
OR4	17.61	5.290	0.633	0.844		
OR5	17.65	5.211	0.696	0.829		
SWE1	17.40	4.442	0.612	0.861	0.869	5
SWE2	17.52	4.284	0.732	0.833		
SWE3	17.45	4.346	0.709	0.838		
SWE4	17.49	4.236	0.746	0.829		
SWE5	17.57	3.995	0.684	0.847		
EP1	16.67	6.487	0.616	0.836	0.853	5
EP2	16.96	5.436	0.677	0.825		
EP3	16.72	5.739	0.808	0.786		
EP4	16.72	5.948	0.782	0.795		
EP5	16.89	6.596	0.495	0.866		

Table : Reliability Coefficient for Multiple Items

*Correlations*

		OL	OIM	ORR	SWE	EP
OL	Pearson	1	.713**	.711**	.717**	.715**
	Correlation					
	Sig. (2-tailed)		<.001	<.001	<.001	<.001
	N	364	364	364	364	364
OIM	Pearson	.713**	1	.723**	.665**	.702**
	Correlation					
	Sig. (2-tailed)	<.001		<.001	<.001	<.001
	N	364	364	364	364	364
ORR	Pearson	.711**	.723**	1	.763**	.739**
	Correlation					
	Sig. (2-tailed)	<.001	<.001		<.001	<.001
	N	364	364	364	364	364
SWE	Pearson	.717**	.665**	.763**	1	.768**
	Correlation					
	Sig. (2-tailed)	<.001	<.001	<.001		<.001
	N	364	364	364	364	364
EP	Pearson	.715**	.702**	.739**	.768**	1
	Correlation					
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	
	N	364	364	364	364	364

\*\*. Correlation is significant at the 0.01 level (2-tailed).

Table: Pearson Correlation Test

## 5. Discussion

### Interpretation of Findings

The findings of this study align with the theoretical frameworks of transformational leadership and resource-based views, which suggest that leadership styles and resource management critically influence organizational outcomes. The positive association between democratic leadership and employee performance supports theories proposed by Bass and Avolio (1994), which emphasize the importance of inclusive and participative leadership styles in enhancing employee motivation and productivity.

The significant impact of resource allocation on performance corroborates the resource-based view (Barney, 1991), highlighting that organizational capabilities and resources are pivotal for sustained competitive advantage. The study's results further align with Herzberg's Two-Factor Theory (Herzberg, 1966), which identifies work environment factors, both hygiene and motivators, as essential for employee satisfaction and performance.

### Implications for Organizational Practice

Based on the findings, several practical recommendations can be made to improve management practices within the Ministry of Foreign Affairs in Saudi Arabia:

1. **Adopting Democratic Leadership:** Training programs for managers should emphasize developing leadership styles that foster inclusivity, employee engagement, and empowerment. Workshops and training sessions can be designed to enhance leaders' skills in participative decision-making processes.
2. **Strategic Resource Allocation:** It is crucial to ensure that resources, particularly technological tools and professional development opportunities, are adequately allocated to enhance efficiency and job satisfaction. Implementing a resource audit and feedback mechanism can help ensure that resources are used optimally and align with employee needs and organizational goals.
3. **Enhancing Work Environment:** Policies should be implemented to improve the physical and psychological work environment. This includes establishing clear communication channels, promoting work-life balance through flexible work policies, and creating a supportive culture that values employee well-being.

### Strengths and Limitations

#### Strengths:

- The study's high response rate and diverse demographic coverage enhance the generalizability and reliability of the findings.
- The use of validated quantitative measures allows for a robust analysis of the relationships between leadership, resources, work environment, and employee performance.

#### Limitations:

- The cross-sectional design of the study limits the ability to draw causal inferences. Longitudinal studies could provide a deeper understanding of the dynamics over time.
- While the study provides insights into the Ministry of Foreign Affairs, the findings may not be directly transferable to other sectors or international contexts without consideration of cultural and operational differences.

This discussion provides a comprehensive overview of how the findings relate to existing theories, the practical implications for organizational management, and an honest assessment of the study's strengths and limitations, guiding future research and policy implementation within the organization.

## 5. Conclusion

### Summary of Findings

The research illuminated the significant influences of leadership styles, resource allocation, and work environments on employee performance within the Ministry of Foreign Affairs in Saudi Arabia. Key findings include:

- **Leadership Styles:** Democratic leadership correlates positively with higher employee performance, highlighting the need for leaders who engage, empower, and actively involve their subordinates in decision-making processes.
- **Resource Allocation:** Adequate and strategic resource distribution is critical for enhancing operational efficiency and employee satisfaction, demonstrating the necessity of aligning resources with organizational goals and employee needs.
- **Work Environment:** A supportive work environment significantly boosts employee productivity and satisfaction, emphasizing the importance of a positive organizational culture that promotes well-being and work-life balance.

### Recommendations for Future Research

Future research should explore:

1. **Longitudinal Studies:** To track changes and developments over time, thereby providing a more dynamic understanding of how interventions in leadership style, resources, and work environment impact employee performance.
2. **Comparative Studies:** Investigating similar organizations within and outside the public sector can offer comparative insights and benchmarking opportunities, potentially revealing unique challenges and best practices that could inform internal improvements.
3. **Cultural Impact Studies:** Delve deeper into how cultural factors within the Saudi Arabian context influence the effectiveness of different management practices, particularly around leadership styles and employee engagement strategies.

### Policy Implications

The findings from this study have substantial implications for policy formulation at the Ministry:

- **Leadership Development Programs:** Establish training and development programs focusing on democratic leadership skills to foster a more inclusive and participatory work culture.
- **Resource Management Policies:** Develop policies that ensure a transparent and efficient allocation of resources, potentially supported by periodic audits and feedback mechanisms to adapt resources to changing organizational needs.
- **Work Environment Reforms:** Implement policies that enhance the physical and psychological work environment, including measures to improve workplace safety, reduce stress, and promote mental health.

These policy recommendations aim to leverage the study's findings to create a more productive, engaging, and supportive working environment at the Ministry of Foreign Affairs, thereby improving overall organizational performance and employee satisfaction. By addressing these areas, the Ministry can better meet its strategic objectives and enhance its capacity to respond to both internal and external challenges.

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