

Midocean University

Business Administration



Project Title

**“Investigating the Relationship between Leadership Styles and
Employee Retention in KSA Healthcare Organizations”**

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Introduction

Introduction and Background:

In the contemporary global healthcare landscape, the retention of skilled healthcare professionals has emerged as a critical challenge for organizational stability and the delivery of high-quality patient care. Within the Kingdom of Saudi Arabia (KSA), this challenge is particularly acute as the nation undergoes a profound transformation of its healthcare sector. The efficiency and sustainability of the Saudi healthcare system are increasingly dependent on the ability of organizations to retain their workforce, particularly nurses and other frontline professionals, who constitute the backbone of clinical operations (*Alasiry et al., 2024; Alsaleh et al., 2025*). High turnover rates not only escalate operational costs through recruitment and training but also disrupt the continuity of care, adversely affecting patient outcomes and organizational morale (*Alilyyani, 2022; Poljanskij, 2022*). Consequently, identifying modifiable organizational factors that influence an employee's decision to remain within an organization has become a priority for healthcare administrators and policymakers across the Kingdom.

Leadership is consistently identified as a primary determinant of employee retention and turnover intention in Saudi Arabian healthcare settings (*Alasiry et al., 2024; Al-Qahtani et al., 2025*). Leadership styles, which encompass the various approaches and behaviors adopted by managers to guide and motivate their staff, serve as a critical link between organizational goals and individual employee satisfaction. Recent scholarship suggests that the way leadership is exercised within Saudi hospitals significantly shapes the psychological contract and work environment, thereby influencing professional engagement and retention (*Al-Qahtani et al., 2025; Martins et al., 2023*). While several leadership frameworks have been explored in the literature, including transformational, transactional, authentic, and passive-avoidant styles, their specific impact on retention within the unique cultural and structural context of KSA healthcare requires rigorous investigation.

Transformational leadership has received extensive attention in the Saudi context due to its emphasis on inspiring vision, intellectual stimulation, and individualized consideration. Evidence from various regions, including Makkah and Aseer, indicates that nurse managers who exhibit transformational behaviors foster a more supportive work environment, which is negatively correlated with nurses' intention to leave (*Alasmari et al., 2024; Alsaleh et al., 2025*). By promoting job satisfaction and organizational commitment, transformational leaders can mitigate the pervasive issue of nursing shortages in Saudi governmental and private hospitals (*Alasmari et*

al., 2024; Alhusban et al., 2022). This leadership style is strategically significant for healthcare policy in the Kingdom, as it aligns with the broader objectives of enhancing service quality and workforce sustainability (*Alasmari et al., 2024; Alqarni et al., 2023*).

Conversely, other leadership styles present a more complex or even detrimental relationship with employee retention. Transactional leadership, characterized by reward-based exchanges and monitoring, is frequently observed among nurse managers in Saudi hospitals but often shows a weaker or inconsistent association with retention compared to transformational styles (*Alasiry et al., 2024; Alamri et al., 2021*). More concerning is the prevalence of passive-avoidant and laissez-faire leadership, where managers fail to intervene until problems become serious or avoid decision-making altogether. Research in tertiary hospitals in Makkah province has demonstrated a significant positive relationship between passive-avoidant leadership and predicted nurse turnover, with a high percentage of participants expressing strong intentions to quit when faced with such leadership behaviors (*Alsaleh et al., 2025*). These findings underscore the necessity of discouraging passive leadership styles and promoting more active, engaging approaches to stabilize the healthcare workforce (*Magbity et al., 2020*).

Authentic leadership has also emerged as a vital construct in the KSA healthcare retention literature. This style, which focuses on transparency, ethical behavior, and self-awareness, has been linked to increased psychological safety and reduced burnout among healthcare professionals in the Kingdom (*Aldhmadi et al., 2024; Poljanskij, 2022*). In environments characterized by high pressure and rapid change, authentic leaders create a sense of trust and engagement that can significantly lower turnover intentions (*Alilyyani, 2022; Poljanskij, 2022*). By prioritizing employee well-being and fostering a healthy workplace culture, authentic leadership addresses some of the fundamental psychological needs of healthcare workers, thereby enhancing their commitment to their organizations (*Aldhmadi et al., 2024; Pattali et al., 2024*).

Despite the growing body of evidence, several gaps remain in the understanding of leadership and retention within the Saudi healthcare context. Much of the existing research is cross-sectional in design and focused primarily on the nursing profession, often within specific regions or hospital types (*Alasiry et al., 2024; Alsaleh et al., 2025*). There is a need for a more comprehensive investigation that encompasses a wider range of healthcare professionals, including physicians and allied health staff, and accounts for the diverse organizational cultures across the

public and private sectors in KSA (*Aburub et al., 2025; Alothiri, 2022*). Furthermore, understanding how external factors such as digital transformation and job security interact with leadership styles to influence retention is crucial for developing robust workforce strategies (*Aburub et al., 2025; Al-Qahtani et al., 2025*).

The following proposal investigates the multifaceted relationship between various leadership styles and employee retention in KSA healthcare organizations. By synthesizing recent empirical evidence and theoretical perspectives, the study aims to provide a clear understanding of which leadership behaviors are most effective in promoting workforce stability. This investigation is timely and essential for healthcare leaders in Saudi Arabia as they strive to navigate the challenges of workforce shortages and the evolving expectations of the modern healthcare professional.

Study Problem:

Employee turnover in healthcare remains a pressing operational and clinical threat in the Kingdom of Saudi Arabia. High rates of separation among nurses and other clinical staff increase recruitment and training costs, weaken continuity of care, and reduce service quality at a time when the health sector is undergoing major reform. Recent empirical work identifies leadership behaviour as a central, modifiable driver of retention and turnover intention, yet findings are uneven across studies and professional groups. Transformational leadership is consistently associated with higher job satisfaction, stronger organizational commitment, and lower intent to leave among nursing staff in Saudi hospitals. Several region-specific studies report positive effects of visionary, supportive, and development-focused leadership on nurses' willingness to stay. At the same time, transactional and passive-avoidant styles show weaker or adverse links with retention, and authentic leadership has emerged as a promising but underexplored alternative.

Despite these signals, important gaps persist. Much of the local evidence is cross-sectional, focused predominantly on nursing, and concentrated in a limited set of provinces and hospital types. Comparative analyses that include physicians and allied health professionals are scarce. The literature provides limited insight into how leadership interacts with organizational variables such as sector (public versus private), digital transformation, and perceived job security to shape retention outcomes. Heterogeneous measures of leadership and retention further complicate

synthesis and policy translation. The study problem therefore is clear: policymakers and healthcare leaders in the Kingdom lack robust, generalizable evidence on which specific leadership behaviours and contextual conditions most effectively promote retention across professional groups and organizational settings. Addressing this gap requires a rigorous, multi-professional investigation that links distinct leadership styles to measurable retention outcomes while accounting for organizational context and workforce heterogeneity. Such evidence is essential to design leadership development and workforce policies that stabilize Saudi healthcare staffing and protect patient care quality.

Study Significance:

This study holds significant theoretical and practical value within the context of healthcare workforce management in the Kingdom of Saudi Arabia. From a theoretical perspective, it advances understanding of the relationship between leadership styles and employee retention by integrating multiple leadership constructs, including transformational, transactional, authentic, and passive-avoidant approaches, within a single analytical framework (*Alasiry et al., 2024; AlQahtani et al., 2025*). By examining these leadership styles across diverse healthcare professions, including nurses, physicians, and allied health staff, the study addresses the predominance of nursing-focused research and extends the generalizability of existing leadership-retention theories to broader occupational groups (*Alasmari et al., 2024; Aldhmadi et al., 2024*). Moreover, incorporating organizational context factors such as sector type, digital transformation, and perceived job security enables a nuanced understanding of how leadership behaviors interact with structural and environmental variables to influence turnover intentions (*Aburub et al., 2025; Alothiri, 2022*). This contribution refines conceptual models of workforce engagement and provides a basis for future empirical research on leadership effectiveness in rapidly evolving healthcare systems.

The practical significance of this research lies in its potential to inform evidence-based strategies for workforce stabilization and management within Saudi healthcare organizations. Identifying leadership behaviors that enhance retention can guide the design and implementation of targeted leadership development programs, performance appraisal systems, and succession planning initiatives (*Alasmari et al., 2024; Alsaleh et al., 2025*). By providing empirical insights into which leadership approaches most effectively promote employee commitment and reduce

turnover across different professional groups and organizational settings, the study offers actionable guidance for hospital administrators and policymakers. This evidence is particularly critical in the context of ongoing healthcare sector reforms in Saudi Arabia, where retaining skilled professionals is essential for sustaining service quality, operational efficiency, and patient safety. Collectively, the study bridges theoretical knowledge with practical application, equipping leaders with empirically grounded strategies to address workforce challenges and enhance organizational performance in the Kingdom's healthcare system.

Aim and Objectives:

The primary aim of this study is to *“Investigate the relationship between leadership styles and employee retention in healthcare organizations within the Kingdom of Saudi Arabia. The study seeks to identify which leadership behaviors most effectively influence retention across diverse professional groups and organizational contexts, thereby providing evidence-based insights to support workforce stability and organizational performance”*.

To achieve this aim, the study is guided by the following specific objectives:

1. To examine the impact of transformational, transactional, authentic, and passive-avoidant leadership styles on employee retention in Saudi healthcare organizations, with particular attention to nurses, physicians, and allied health professionals (*Alasiry et al., 2024; AlQahtani et al., 2025*).
2. To explore the moderating role of organizational factors, including sector type, digital transformation initiatives, and perceived job security, in shaping the relationship between leadership styles and turnover intentions (*Aburub et al., 2025; Alothiri, 2022*).
3. To provide actionable recommendations for healthcare leaders and policymakers to enhance retention strategies by promoting leadership practices that foster engagement, commitment, and psychological well-being among employees (*Alasmari et al., 2024; Alsaleh et al., 2025*).

This integrated approach ensures alignment with the study's theoretical foundations, addresses existing knowledge gaps, and offers practical guidance for strengthening the sustainability of the Saudi healthcare workforce.

Study Questions:

The Main research question is “*What is the relationship between distinct leadership styles and employee retention in healthcare organizations in the Kingdom of Saudi Arabia, taking into account professional group differences and organizational context?*” Other Sub-questions could be answered during the following study:

1. How are transformational, transactional, authentic, and passive-avoidant leadership styles associated with employee retention indicators (intent to stay, organizational commitment, and actual turnover) among nurses, physicians, and allied health professionals in Saudi healthcare settings?
2. To what extent do organizational factors—specifically sector type (public versus private), the degree of digital transformation, and perceived job security—moderate the relationship between leadership styles and turnover intentions across professional groups?
3. Which specific leadership behaviours and practices predict higher employee commitment and lower turnover intention, and how do these predictive patterns vary by occupational group and by hospital type (tertiary, secondary, primary; governmental versus private)?

Rationale of selected study questions:

The main question synthesizes the study aim by linking leadership constructs to measurable retention outcomes. The sub-questions operationalizes that link by (a) specifying leadership styles and workforce segments for comparative analysis, (b) introducing key contextual moderators identified in the literature, and (c) translating theoretical constructs into actionable predictors for managerial intervention and policy formulation.

Study Hypothesis:

Main study hypothesis:

H1: *Leadership styles significantly predict employee retention in healthcare organizations in the Kingdom of Saudi Arabia after statistically controlling for professional group, facility type, and key organizational covariates (Alasiry et al., 2024; AlQahtani et al., 2025).*

Other hypotheses:

H1a: *Transformational leadership will be positively associated with indicators of retention (higher organizational commitment, greater intent to stay, and lower turnover intention) across nurses, physicians, and allied health professionals, consistent with regional evidence linking visionary and supportive management to reduced intent to leave (Alasmari et al., 2024; Alsaleh et al., 2025).*

H1b: *Transactional leadership will demonstrate a weaker positive association with retention, while passive-avoidant leadership will be negatively associated with retention outcomes; specifically, environments characterized by rewardcontingent or laissez-faire behaviours will report lower commitment and higher turnover intention relative to transformational and authentic leadership contexts (Alamri et al., 2021; Alsaleh et al., 2025).*

H1c: *Organizational context will moderate these relationships: the positive effect of transformational and authentic leadership on retention will be amplified in settings with higher perceived job security and more advanced digital transformation and will be attenuated in organizations operating under low job security or constrained digital capacity. Sectoral differences (public versus private) will further condition effect sizes, producing heterogeneity in leadershipretention linkages across facility types (Aburub et al., 2025; Alothiri, 2022).*

Literature Review

1. Introduction:

1.1. Purpose and Scope of the Review

The primary purpose of this review is to investigate the critical intersection between diverse leadership paradigms and employee retention strategies within healthcare organizations in the Kingdom of Saudi Arabia (KSA). As the Saudi healthcare system undergoes an "accelerated transformation" aligned with Vision 2030, understanding the structural and functional lessons

learned from large-scale service reforms is essential for maintaining a stable workforce (*Riley et al., 2023*). This study aims to evaluate how evolving leadership models—specifically digital and transformative styles—impact job stability and organizational commitment during periods of intense technological and systemic transition (*Bokhari, 2024*).

The scope of this investigation focuses on the unique socio-cultural and professional challenges prevalent in the Saudi medical landscape, with a specific emphasis on high-turnover professions such as nursing. By synthesizing qualitative evidence regarding turnover intentions, the review seeks to identify the specific leadership behaviors that either mitigate or exacerbate staff attrition in both public and private health sectors (*Almubark et al., 2025*). Geographically, the analysis prioritizes data from major urban centers like Jeddah while drawing broader inferences applicable across the Kingdom. Ultimately, this review intends to provide healthcare administrators and policymakers with a framework for adopting leadership practices that foster resilience, enhance job satisfaction, and secure long-term human capital in an increasingly digitalized and restructured healthcare environment.

1.2. Relevance to Employee Retention in Healthcare:

The relevance of modern leadership paradigms to employee retention in healthcare is underscored by their capacity to mitigate global workforce shortages through enhanced organizational culture and staff engagement. Transformational leadership (TL) acts as a primary catalyst for retention by directly influencing an organization's aptitude to attract and maintain talent. Research highlights that TL practices among first-line managers account for significant variance in nurses' organizational resilience (43%) and job involvement (40%), both of which are critical for navigating high-stress medical environments. Systematic evidence further validates this, with the vast majority of studies reporting a statistically significant positive relationship between TL and improved staff retention. This suggests that nurse managers can cost-effectively reduce turnover by adopting behaviors that inspire and facilitate commitment to the organizational mission (*Poljanskij, 2022; Conroy et al, 2023; Aliem et al, 2021*).

Complementing these findings, authentic leadership (AL) provides a robust framework for reducing turnover intentions by cultivating psychological safety and engagement. Within the Saudi Arabian healthcare context, AL has a direct, negative relationship with nurses' intentions to quit,

often mediated by the overall effectiveness of the medical team. These results are particularly salient given that a lack of supervisor support is identified as a leading driver for staff attrition. By integrating the transparent and moral behaviors associated with AL, healthcare leaders can build resilient work environments that stabilize the workforce. Ultimately, the strategic application of these leadership styles is indispensable for securing long-term human capital and ensuring the continuity of safe, high-quality patient care (*Poljanskij, 2022; Conroy et al, 2023; Aliem et al, 2021*).

1.3. Overview of the KSA Healthcare Context and Workforce Challenges:

The Saudi healthcare landscape is currently defined by the ambitious objectives of Saudi Vision 2030 and the National Transformation Program (NTP). These initiatives aim to transition the Ministry of Health (MOH) from a provider of services to a regulator, transferring service delivery to independent regional "Health Clusters" (*Riley et al, 2023; Alharbi et al, 2025*). This decentralization requires a significant shift in leadership capacity and accountability at the cluster level (*Riley et al, 2023*). Workforce challenges remain significant. The sector is characterized by a high reliance on expatriate professionals, particularly in nursing, where turnover is influenced by factors such as Saudization policies, professional development opportunities, and regional stability (*Hashish et al.,2025*). Furthermore, the rapid pace of digital transformation and the introduction of advanced technologies like Artificial Intelligence (AI) place new demands on healthcare leaders to manage skills transitions and maintain staff confidence (*Alrashed et al.,2025; Alghamdi et al., 2025*).

2. Employee Retention in Healthcare Organizations:

Employee retention serves as a foundational pillar for the efficiency and sustainability of healthcare systems globally, and it is of particular strategic importance within the Kingdom of Saudi Arabia (KSA). As the Saudi healthcare landscape undergoes rapid transformation, the ability to maintain a stable and skilled nursing workforce is directly correlated with the delivery of highquality patient care and overall system efficiency (*Alasiry & Alkhaldi, 2024*). Current literature suggests that healthcare organizations in the KSA face significant challenges in retaining staff, driven by a complex interplay of high-stress environments, evolving professional expectations, and the competitive nature of the medical labor market (*Almubark et al., 2025*). The consequences of low retention rates in medical settings are multifaceted, extending beyond

administrative inconveniences to include increased operational costs, the loss of institutional knowledge, and potential compromises in patient safety. Systematic evidence identifies nursing as a particularly vulnerable profession, where turnover intentions are often exacerbated by perceived burnout and a lack of psychological safety (*Al-Za'areer et al., 2025*). Furthermore, in the private healthcare sector, retention is increasingly viewed through the lens of organizational tenure, where the success of a facility is measured by its capacity to enable employees to perform their duties with maximum efficiency over extended periods (*Pattali et al., 2024*). Consequently, fostering a work environment that prioritizes staff well-being and professional growth is essential for mitigating the global nurse shortage and ensuring the long-term resilience of the Saudi health directorate's human capital.

2.1. Definition and Conceptualization of Employee Retention:

In the context of healthcare management, employee retention is formally defined as the strategic ability of an organization to retain its workforce and prevent the loss of competent staff over a determined period. Rather than being a static metric, retention is conceptualized as a dynamic outcome of "extended organizational tenures," where employees choose to remain within a facility due to a perceived alignment between personal needs and organizational offerings (*Pattali et al., 2024*). Academically, retention is often operationalized through the study of "turnover intention"—the cognitive and behavioral precursor to actual resignation, representing the final stage in a sequence of withdrawal cognitions (*Alasiry & Alkhaldi, 2024*). The conceptualization of retention has evolved from a simple focus on salary to a broader multidimensional framework that includes affective commitment, psychological safety, and job involvement. For instance, retention is not merely the absence of turnover but the presence of "affective commitment," where staff members feel emotionally and professionally invested in the organization's mission (*Al-Za'areer et al., 2025*). This conceptual model is further moderated by "perceived organizational support," which acts as a psychological contract between the employee and the employer (*Pattali et al., 2024*). In the Saudi Arabian context, this conceptualization also incorporates socio-cultural factors and workplace inclusivity, suggesting that retention is achieved when healthcare professionals perceive a supportive environment that mitigates the stressors of clinical practice while recognizing their specialized contributions (*Almubark et al., 2025*). Understanding these

underlying dimensions allows healthcare leaders to move beyond reactive measures toward proactive, evidence-based retention strategies.

The following sections provide a high-level academic synthesis of the importance, empirical landscape, and consequences of employee retention within healthcare organizations, particularly in the context of Saudi Arabia.

2.2. Importance of Retention for Service Quality, Continuity of Care, and Organizational Performance:

Employee retention is a critical determinant of healthcare organizational performance, directly influencing the quality and safety of patient care. A stable workforce ensures the preservation of institutional knowledge and the maintenance of clinical competencies, which are essential for achieving the high standards of care outlined in Saudi Vision 2030 (*AlAbdul Kader & Jabr, 2025*). High retention rates facilitate continuity of care, as long-term staff develop a nuanced understanding of patient needs and organizational protocols, thereby reducing the likelihood of clinical errors associated with frequent staff transitions (*Conroy et al., 2023*). Furthermore, retention is intrinsically linked to organizational performance through improved team dynamics and staff morale. In the Saudi healthcare sector, leadership styles—particularly transformational and authentic models—play a vital role in enhancing nurses' organizational resilience and job involvement (*Mughal, 2023*). When healthcare professionals remain within an organization, they are more likely to exhibit higher levels of performance and commitment, which collectively boost the efficiency of healthcare delivery (*Alasiry & Alkhaldi, 2024*). Ultimately, fostering a culture of retention allows healthcare facilities to transition from reactive management to proactive service innovation, ensuring sustainable improvements in population health outcomes across the Kingdom.

2.3. Empirical Evidence on Turnover Rates in KSA and Global Context:

The global healthcare landscape is currently characterized by a critical shortage of nursing professionals, a phenomenon that has intensified following the COVID-19 pandemic. Globally, turnover rates in hospital settings remain a significant challenge, with systematic evidence indicating that leadership practices are a primary driver of staff's intention to leave (*Conroy et al., 2023*). In the Kingdom of Saudi Arabia (KSA), the empirical evidence reflects these global trends

but is further complicated by the high reliance on an expatriate workforce. Recent studies highlight a "brain drain" phenomenon where skilled expatriate nurses often view KSA as a transient destination before migrating to Western nations for perceived better long-term stability (*Abou Hashish & Alnajjar, 2025*). Quantitative investigations in various Saudi regions, such as Hafar Al-Batin and Jeddah, reveal varying but consistently concerning levels of turnover intention. Research indicates that a substantial proportion of the nursing workforce experiences high turnover intention, often mediated by factors such as perceived burnout and a lack of supervisor support (*Alasiry & Alkhaldi, 2024*). Additionally, empirical data suggests that the push for digital transformation and rapid restructuring within the Ministry of Health has placed unique pressures on staff, necessitating adaptive leadership to stabilize turnover rates (*Abdulaziz et al., 2022*). These empirical findings underscore the necessity for localized retention strategies that address both the professional and socio-cultural needs of the diverse healthcare workforce in Saudi Arabia.

2.4. Costs and Consequences of High Turnover:

The consequences of high turnover in healthcare are both profound and multidimensional, encompassing significant financial burdens and detrimental impacts on organizational health. From a financial perspective, turnover incurs substantial direct costs related to recruitment, onboarding, and the training of new personnel. In the KSA, these costs are exacerbated by the logistical expenses associated with international recruitment of expatriate staff (*Abou Hashish & Alnajjar, 2025*). Beyond direct expenditures, high turnover undermines "cost containment" strategies, as the reliance on temporary or less experienced staff can lead to operational inefficiencies and increased resource utilization (*Khirfan & Aziz, 2022*). Socially and psychologically, frequent staff departures trigger a cycle of decreased morale and increased burnout among remaining employees, who must often absorb the workload of vacant positions. This environment erodes "psychological safety" and "affective commitment," further escalating turnover intentions within the team (*Al-Za'areer et al., 2025*). The most critical consequence, however, is the potential decline in the quality of patient care. High turnover disrupts established clinical teams and weakens team effectiveness, which is a known predictor of patient safety incidents (*Alilyyani et al., 2023*). For Saudi healthcare organizations, failing to address turnover risks compromising the strategic objectives of the Health Sector Transformation Program, as human capital remains the most vital asset in delivering equitable and high-quality medical services.

3. Leadership in Healthcare:

Leadership within healthcare organizations is a multifaceted construct that transcends traditional administrative management, evolving into a critical driver of organizational agility and clinical excellence. In the context of the contemporary Saudi Arabian healthcare landscape, leadership is increasingly conceptualized as the ability to influence, motivate, and enable multidisciplinary teams to achieve strategic objectives while navigating complex systemic transformations (*Alluhaybi et al., 2024*). As the Kingdom progresses toward the goals of Saudi Vision 2030, the role of leadership has shifted from maintaining the status quo to acting as a primary agent for "organizational readiness for change" (*Almuqati et al., 2023*). Effective leadership is now recognized as the bridge between high-level policy mandates, such as the Health Sector Transformation Program, and the practical delivery of population health management at the clinical level (*AlAbdul Kader & Jabr, 2025*).

Leadership in medical settings is formally defined as a process of social influence in which a leader enlists the aid and support of others in the accomplishment of a common task. Unlike management, which focuses on planning, budgeting, and staffing, leadership emphasizes vision, inspiration, and the cultivation of an organizational culture that prioritizes patient safety and quality (*Al-Dossary, 2022*). In Saudi healthcare organizations, the role of the leader—particularly the nurse manager—is pivotal in managing the "perception and awareness" of healthcare providers regarding the ongoing structural shifts toward health clusters and digital integration (*AlEnezi, 2025*). These leaders serve as the frontline for implementing evidence-based practices and ensuring that staff remain engaged despite the inherent uncertainties of large-scale institutional restructuring.

The literature extensively utilizes the Full Range Leadership Model to analyze employee outcomes, with a predominant focus on Transformational Leadership (TL) and Authentic Leadership (AL). Transformational leadership is characterized by four key dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (*Abd-EL Aliem & Abou Hashish, 2021*). Theoretical frameworks often employ Structural Equation Modeling (SEM) to demonstrate that TL does not merely impact outcomes directly but operates through various mediators. For instance, TL practices have been found to account for significant variance in "organizational resilience" (43%) and "job involvement" (40%), suggesting

that leadership is the catalyst for the psychological capital necessary for staff to thrive in highpressure environments (*Abd-EL Aliem & Abou Hashish, 2021*). Additionally, Authentic Leadership (AL) is framed within the Social Exchange Theory, where leaders build trust through transparency, ethical behavior, and balanced processing. This framework posits that when leaders demonstrate authenticity, they foster an environment of "psychological safety," which in turn enhances "work engagement" and "team effectiveness" (*Alilyyani et al., 2023*). By applying these theoretical lenses, researchers have identified that leadership style is not a standalone variable but a foundational element that dictates the quality of the professional work environment and subsequent employee performance (*Alluhaybi et al., 2024*).

Empirical evidence consistently positions leadership style as one of the most significant predictors of "turnover intention" and "job security" among healthcare professionals in Saudi Arabia. Studies conducted in regions such as Hafar Al-Batin emphasize that there is a statistically significant association between the perceived leadership style of managers and the nurses' intention to quit their jobs (*Alasiry & Alkhaldi, 2024*). Transformational and authentic styles are negatively correlated with turnover intention, meaning that as these leadership behaviors increase, the cognitive and behavioral precursors to resignation decrease. Furthermore, leadership acts as a critical determinant of job satisfaction by moderating the impact of workplace stressors. Effective leaders provide the "perceived organizational support" necessary to mitigate the effects of professional burnout and job-related fatigue (*Alotaibi et al., 2024*). In the Saudi context, where the retention of both national and expatriate staff is a strategic priority, leadership behavior directly influences "affective organizational commitment"—the emotional attachment an employee feels toward their institution (*Al-Dossary, 2022*). When healthcare leaders prioritize the professional development and well-being of their staff, they create a self-sustaining cycle of satisfaction and loyalty, which is essential for maintaining the human capital required for the sustainable delivery of healthcare services across the Kingdom.

4. Leadership Styles and Their Impact on Retention:

Transformational leadership is defined by a suite of behaviors designed to inspire and motivate the workforce through the articulation of a shared vision, the provision of intellectual stimulation, and the application of individualized consideration (*Abd-EL Aliem & Abou Hashish,*

2021; Conroy et al., 2023). Within the specific context of Saudi Arabian healthcare, this leadership paradigm has demonstrated a consistent negative correlation with turnover intentions, as evidenced by a correlation coefficient of $r = -0.348$ in prominent regional studies (**Alasiry & Alkhaldi, 2024**). Furthermore, this style serves as a robust predictor of organizational commitment and work engagement across both domestic and expatriate nursing populations (**Alluhaybi et al., 2024; Khirfan & Aziz, 2022; AL-Dossary, 2022**). Beyond psychological outcomes, transformational leadership contributes to enhanced performance among physicians and nurses and is strategically utilized to facilitate cost containment by fostering operational efficiency and workforce stability (**Khirfan & Aziz, 2022; Mughal, 2023**).

In contrast, transactional leadership operates on a framework of reward-based systems and rigorous monitoring, wherein employee performance is tied to the attainment of incentives or the avoidance of corrective actions (**Alasiry & Alkhaldi, 2024; Alluhaybi et al., 2024**). While frequently utilized by nurse managers in the Kingdom of Saudi Arabia, this style demonstrates a moderate positive correlation with work engagement and job satisfaction (**Alluhaybi et al., 2024; Al-Za'areer et al., 2025**). However, its efficacy regarding long-term retention is limited; its protective influence against turnover intention ($r = -0.295$) is statistically weaker than that of transformational leadership (**Alasiry & Alkhaldi, 2024**). Although functional for the management of routine clinical operations, transactional leadership often lacks the emotional depth and visionary alignment necessary to sustain human capital in high-stress medical environments (**Alasiry & Alkhaldi, 2024; Al-Za'areer et al., 2025**).

Passive-avoidant, or Laissez-faire leadership, is characterized by a fundamental absence of proactive management, including the avoidance of decision-making and a lack of involvement in team dynamics (**Alasiry & Alkhaldi, 2024; Alluhaybi et al., 2024**). This leadership vacuum is consistently associated with the highest recorded levels of turnover intention and detrimental impacts on overall employee performance (**Alasiry & Alkhaldi, 2024; Al-Za'areer et al., 2025**). Empirical evidence from the Saudi region indicates that this style offers the weakest protective effect on staff retention ($r = -0.258$) and may actively contribute to institutional instability by failing to provide the guidance required in complex healthcare settings (**Alasiry & Alkhaldi, 2024; AL-Dossary, 2022**).

Authentic leadership has emerged as a critical determinant of organizational health, emphasizing relational transparency, ethical conduct, and the cultivation of psychological safety (*Alilyyani et al., 2023*). Structural equation modeling involving large cohorts of nurses in the Kingdom confirms that authentic leadership is a positive predictor of both psychological safety and work engagement. These factors, in turn, enhance team effectiveness and lead to significant reductions in turnover intentions (*Alilyyani et al., 2023; Pattali et al., 2024*). Moreover, by maintaining transparency and consistency, authentic leaders reinforce perceived job security among staff, a factor that is especially vital during periods of rapid technological innovation and structural transformation within the health sector (*Alotaibi et al., 2024*).

5. Organizational and Contextual Moderators:

The Saudi Arabian healthcare system exhibits significant divergence between the public and private sectors regarding leadership perceptions and organizational performance. Research suggests that the governance models inherent to these sectors significantly influence the efficacy of leadership styles on employee outcomes. Private hospitals frequently demonstrate higher performance on digital health transformation indicators compared to their public counterparts (*Abdulaziz et al., 2022; AlEnezi, 2025*). Furthermore, while transformational leadership has proven effective across both domains, its capacity to mitigate turnover intention is often moderated by the degree of perceived organizational support and job security specific to the organizational structure (*Alotaibi et al., 2024; Pattali et al., 2024*). In the public sector, where bureaucratic structures may prevail, the impact of leadership is intrinsically linked to how well managers can navigate institutional constraints to provide support, whereas private sector outcomes are more closely tied to competitive organizational climates and professional stability (*Al-Dossary, 2022; Pattali et al., 2024*).

A central pillar of the National Transformation Program (NTP) 2020 and Saudi Vision 2030 is the rapid integration of advanced technologies, including artificial intelligence (AI) and electronic health records (EHR) (*AlAbdul Kader & Jabr, 2025; AlEnezi, 2025; Alharbi et al., 2025*). The success of this digital shift is heavily dependent on "digital leadership," a paradigm where nurse managers and administrators actively facilitate the adoption of innovation while maintaining workforce stability (*Abdulaziz et al., 2022; Bin Abdulrahman et al., 2024*). Effective

leaders in this context do not merely oversee technical implementation; they provide the necessary training and psychological support to mitigate staff concerns regarding technological complexity (*AlEnezi, 2025*). By fostering a culture of innovation and enhancing staff confidence through supportive interventions, leadership becomes a critical catalyst for the sustainable adoption of digital tools within the healthcare infrastructure (*Abdulaziz et al., 2022; Riley et al., 2023*).

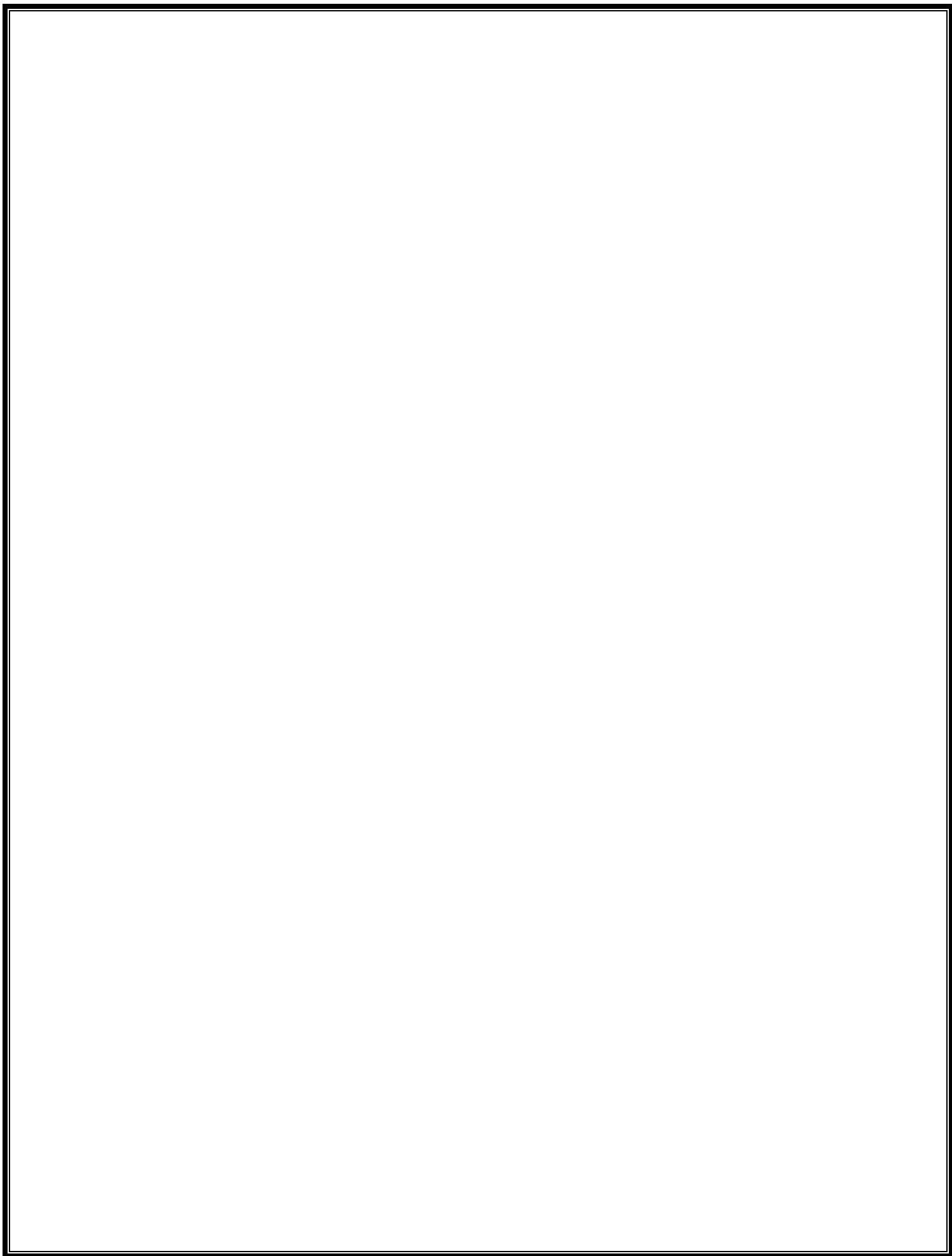
Perceived job security serves as a vital moderating variable in the relationship between nursing leadership and staff retention. Authentic leadership, characterized by transparency and ethical behavior, has been shown to significantly enhance nurses' sense of security and organizational commitment (*Abd-EL Aliem & Abou Hashish, 2021; Alotaibi et al., 2024*). Conversely, structural factors such as demanding shift work and the sociocultural pressures associated with Saudization policies can undermine perceived stability, particularly among the expatriate workforce (*Abou Hashish & Alnajjar, 2025; Alotaibi et al., 2024*). In this volatile environment, the role of supportive and authentic leadership is intensified; leaders who provide a sense of psychological safety and quality of work-life can effectively counteract the negative stressors of the clinical environment, thereby reducing turnover intention and fostering professional resilience (*Abd-EL Aliem & Abou Hashish, 2021; Alasiry & Alkhaldi, 2024; AlDossary, 2022*).

The transition toward the "Health Cluster" model represents a fundamental restructuring of Saudi healthcare delivery, aimed at enhancing population health management and operational efficiency (*AlEnezi, 2025; Alharbi et al., 2025; Riley et al., 2023*). However, the successful realization of these reforms is contingent upon the ability of local leadership to engage healthcare professionals and foster a collective sense of ownership over the transformation process (*AlEnezi, 2025; Bin Abdulrahman et al., 2024*). Evidence suggests that awareness and acceptance of these changes vary among healthcare workers, necessitating a leadership approach that prioritizes effective communication and stakeholder participation (*Bin Abdulrahman et al., 2024*). For the cluster model to achieve its strategic objectives, leaders must act as change agents who bridge the gap between national policy and frontline practice, ensuring that the workforce is both motivated and aligned with the overarching goals of Vision 2030 (*AlAbdul Kader & Jabr, 2025; Alharbi et al., 2025; Riley et al., 2023*).

6. Research Gaps:

Despite the growing body of literature examining leadership and employee retention in healthcare, several critical gaps remain within the Saudi Arabian context. First, much of the existing research concentrates primarily on the nursing profession, with limited empirical attention given to other essential healthcare professionals such as physicians, pharmacists, and allied health staff. While nurses represent a large portion of the healthcare workforce, retention challenges affect multiple professional categories that contribute to patient care delivery. The predominance of nursing-focused studies therefore limits the generalizability of current findings and restricts a comprehensive understanding of how leadership styles influence retention across multidisciplinary healthcare teams. Second, a substantial proportion of existing studies employ cross-sectional research designs that capture perceptions at a single point in time. Although these studies provide valuable insights into correlations between leadership behaviors and turnover intentions, they often fail to explore deeper causal mechanisms or dynamic organizational processes that shape retention over time. As the Saudi healthcare system undergoes rapid structural and technological transformation under Vision 2030, longitudinal or integrative research approaches are needed to capture the evolving relationship between leadership practices and workforce stability.

Third, the literature provides limited examination of contextual organizational factors that may moderate the relationship between leadership styles and employee retention. Although some studies acknowledge the influence of perceived organizational support, job security, and workplace culture, there is insufficient empirical analysis of how sector differences between public and private healthcare organizations shape these relationships. Similarly, the impact of digital transformation, including the introduction of artificial intelligence and electronic health systems, remains underexplored in relation to leadership effectiveness and employee retention. Finally, geographical concentration presents another limitation within the current literature. Many empirical studies focus on specific regions or urban centers such as Jeddah or Hafar Al-Batin, which may not adequately reflect the diversity of organizational environments across the Kingdom. Variations in institutional structures, workforce composition, and regional labor dynamics require broader investigation to generate findings that are applicable at the national level. Addressing these gaps is essential for developing a more comprehensive and contextually grounded understanding of how leadership styles influence employee retention within Saudi healthcare organizations.



Methodology

1. Study Design:

This research adopts *a cross-sectional, multi-site quantitative design* using a structured self-administered questionnaire to examine the hypothesized relationships between leadership styles and employee retention. The design is configured to test direct effects of distinct leadership constructs (transformational, transactional, authentic, passive-avoidant) on retention indicators, as well as indirect and conditional pathways in which psychological, technological, and organizational factors act as mediators and moderators. Data will be collected from multiple institutions to permit comparisons by ownership, level of care, and region within the Kingdom of Saudi Arabia, thereby increasing the external validity of model estimates while retaining the analytic rigor required for confirmatory factor analysis and structural equation modelling.

2. Study Approach:

A positivist, explanatory approach will be employed. Psychometrically validated instruments will be subjected to confirmatory factor analysis (CFA) to verify latent structure before hypothesis testing. Structural equation modelling (SEM) will estimate direct paths from leadership styles to retention outcomes, mediating pathways through constructs such as psychological safety, job satisfaction, and digital readiness, and moderation by organizational variables (sectoral ownership, facility scale, and perceived job security). Multi-group SEM and moderate mediation techniques will be used appropriately to probe heterogeneity across professional groups and institutional types.

3. Population and Sample Size:

The target population comprises clinical staff and managers (nurses, physicians, allied health professionals, and middle managers) employed in public, private, and mixed-ownership hospitals and large primary-care networks across the Kingdom. The sampling frame will draw on rosters from major governmental providers including the Ministry of Health and accredited private hospitals, with stratified proportional sampling by ownership (public/private/mixed), level of care

(tertiary/secondary/primary), and geographic region. A minimum of 100 completed responses is required for stable CFA/SEM estimation.

4. Data Collection Tools:

Data will be collected using a bilingual (English/Arabic) questionnaire developed by forward–back translation and reviewed by an expert panel. The instrument comprises:

- **Demographic and organizational profile** (role, specialty, tenure, managerial span, education, region, facility type, bed size, accreditation, EHR adoption).
- **Leadership measures** (Multifactor Leadership Questionnaire subscales and the Authentic Leadership Questionnaire).
- **Retention outcomes** (Meyer & Allen organizational commitment scales and a validated 3-item turnover-intention scale).
- **Contextual measures** (perceived organizational support, perceived job security, and digital readiness/interoperability items).

All items use a five-point Likert format (1 = strongly disagree to 5 = strongly agree). The questionnaire will be piloted (n=30–50) to assess clarity, timing, and internal consistency. Both online and paper modes will be offered to maximize response rates.

5. Data Analysis:

Analyses will follow a pre-specified sequence: data screening for missingness (Little's MCAR), outlier detection, and assessment of distributional assumptions. Missing data will be addressed via full information maximum likelihood. Scale reliability will be assessed via Cronbach's α and McDonald's ω , and construct validity via CFA with fit criteria ($CFI/TLI \geq .90$; $RMSEA \leq .08$; $SRMR \leq .08$). Bivariate correlations will inform model specification. SEM will estimate direct and indirect effects; mediation will be tested using bias-corrected bootstrapping (5,000 resamples). Moderation by ownership, facility scale, and job security will be tested through interaction terms and multi-group SEM. Common method bias checks (Harman's single-factor test, one-factor CFA, and an unmeasured latent method factor) and multicollinearity diagnostics

(VIF < 5) will be performed. Results will report effect sizes, 95% confidence intervals, and sensitivity analyses excluding extreme respondents.

6. Ethical Considerations:

Ethical approval will be sought from an accredited institutional review board in the Kingdom. Participating organizations will provide formal permission. Informed consent will be obtained at survey initiation; participation will be voluntary and withdrawable without penalty. No patient data will be collected. Participant anonymity will be preserved through de-identification; data will be encrypted and stored on secure servers with restricted access. Reporting will be aggregated only. The study will comply with the Declaration of Helsinki and relevant national regulations.

7. Study limitations:

The cross-sectional, self-report design constrains causal inference and raises the risk of common method variance. Perceptual measures of organizational outcomes may differ from objective KPIs where such data are unavailable. Nonresponse and organizational self-selection may limit representativeness despite stratified sampling. Heterogeneity in case-mix and service lines could produce unobserved confounding. These limitations will be mitigated through robust instrument validation, CFA/SEM diagnostics, sensitivity and subgroup analyses, and transparent reporting; nevertheless, future longitudinal and mixed-methods work will be recommended to strengthen causal claims and contextual interpretation.

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