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Effects of Less-Qualified Leaders on Highly Qualified Employees in Saudi SMEs

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Chapter 1: Introduction

1.1 Research Background

SMEs in Saudi Arabia rely on a skilled workforce to stay competitive and meet Vision 2030 goals. However, many of these businesses still have leaders or managers who do not have the right qualifications or enough experience to guide highly qualified employees. When a leader is less qualified than their team, it can create frustration, poor decision-making, and impact trust within the team. This study explores how that situation affects motivation and performance.

1.2 Research Problem

In some Saudi SMEs, skilled employees work under managers who do not have enough experience or education. This mismatch can lead to a negative work environment. Employees may feel ignored, unvalued, or unsupported, which can negatively impact their job satisfaction and make them want to leave. Yukl (2020) mentions that leaders who lack skills often struggle to build trust with their teams, which is a big issue in today's competitive world.

Main Research Question:

How does less-qualified leaders affect the motivation and performance of highly qualified employees in Saudi SMEs?

1.3 Research Significance

Practical level: This study can help SME owners and decision makers understand why they should invest in leadership training and recruiting. Good leadership keeps talented workers happy and reduces the risk of high turnover.

Academic level: There is limited research in Saudi Arabia about this problem, so this project will help fill that gap and provide new ideas about managing leadership quality.

Chapter 2: Literature Review

2.1 Introduction

This chapter reviews previous studies and literature relevant to the effects of less-qualified leaders on highly qualified employees in Saudi SMEs. It explains how leadership quality has been studied, the importance of employee motivation and performance, and the relationship between both. The review aims to highlight the current state of knowledge and identify the gaps this project will address.

2.2 Independent Variable: Less-Qualified Leadership

The independent variable in this study is less-qualified leadership. Leadership qualification can be measured through education, training, and managerial experience. According to Alkhazaleh (2021), organizations with leaders who lack proper qualifications often face poor decision-making and limited strategic direction. In SMEs, this problem is more serious since resources are already limited. Ineffective leadership can weaken employee trust and reduce the organization's ability to compete in the market.

2.3 Dependent Variable: Motivation and Performance of Highly Qualified Employees

The dependent variables are employee motivation and performance. Motivation refers to the internal drive that encourages employees to achieve their goals, while performance is the actual output or results achieved. Research by Kim & Beehr (2021) shows that employees working under poor leadership often feel unappreciated and demotivated, which reduces their willingness to perform at a high level. For highly qualified employees, this effect is stronger, as they expect supportive and knowledgeable leaders.

2.4 Relationship Between Independent and Dependent Variables

The relationship between leadership quality and employee motivation/performance has been studied across various contexts. Alghamdi (2022) found that poor leadership in Saudi SMEs directly contributes to higher turnover intentions among skilled employees. Studies by Nguyen et al. (2020) also confirm that less-qualified leaders struggle to build trust and engagement, which lowers motivation and reduces overall team productivity. This demonstrates a negative relationship where poor leadership reduces employee satisfaction, leading to lower performance and increased retention issues.

2.5 Conclusion

In summary, the literature shows that leadership quality strongly influences employee motivation and performance. Less-qualified leaders often cause frustration, low morale, and poor outcomes among highly skilled employees. However, limited research exists on this issue within Saudi SMEs, which makes this study significant in filling that gap. The next chapter will explain the methodology used to investigate this problem.

Chapter 3: Research Methodology

3.1 Research Design

This study will use a quantitative research design with a descriptive approach. The aim is to measure how less-qualified leadership affects employee motivation and performance. A survey questionnaire will be distributed to employees in Saudi SMEs to collect data.

3.2 Population and Sampling

The population of the study includes highly qualified employees working in SMEs across Saudi Arabia. A purposive sampling technique will be used to select employees with at least a bachelor's degree and a minimum of three years of work experience. The target sample size is 150–200 employees.

3.3 Data Collection Methods

Data will be collected through a structured questionnaire. The questionnaire will include sections on leadership qualifications, employee motivation, and performance. A five-point Likert scale will be used to measure responses. The survey will be distributed electronically to reach a wide group of employees.

3.4 Data Analysis Techniques

Data will be analyzed using SPSS software. Descriptive statistics such as mean and standard deviation will be used to summarize the data. Regression analysis will be conducted to examine the relationship between leadership qualifications and employee outcomes. Correlation analysis will also be used to test the strength of relationships.

3.5 Ethical Considerations

The study will ensure confidentiality and anonymity of all participants. Participation will be voluntary, and respondents will have the right to withdraw at any time. Informed consent will be obtained before data collection. The data will only be used for academic purposes.

3.6 Limitations of the Study

This study may face limitations such as a limited sample size, reliance on self-reported data, and restricted access to SMEs. Another limitation is that the study will focus only on Saudi SMEs, so results may not be generalizable to larger organizations or other countries.

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