

MidoceanUniversity
Faculty of Management
Bachelor of Project Management



The impact of leadership on employee performance. A Case Study on Sign
Restaurant Chain in Saudi Arabia

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2024– Second semester



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1. Chapter 1: Introduction

1.1. Research Background:

One of the main goals of project management is to create a team or even a separate organization to focus efforts on the success of the project's purpose and requirements more efficiently. Since the project usually includes a series of interconnected tasks that have cost, quality, and performance constraints, it was necessary to highlight the performance of employees who contribute significantly and directly to the success of the project and the continuation of the brand according to the plan and the importance of maintaining performance efficiently and with quality and influencing it through positive leadership.

A few previous studies have examined the impact of leadership on employee performance. Most have narrow research scopes, and some lack the importance of presenting practical ways to make leadership a direct cause of institutional success and a management style that is extremely important for influencing employees and thus the organization as a whole.

Every organization should ensure that the right leader man their organization in order to achieve their set goals and or objectives. Ibrahim A. U. and Daniel C. O. (2019)

Saudi Arabia is in a state of continuous development and has promising future visions, project managers, executives, and every team leader need to delve deeper into leadership and pay attention to the human side in addition to the practical side to bridge the gap created by negative leadership that prevents efficiency in achieving goals. Many companies underestimate leadership despite the presence of its various methods and its clear impact on employee performance and on creating a positive environment that enhances efficient production. We conclude from this that it was the loophole that made water creep in and destroy the ship despite the good foundation.

The research aims to examine the impact of leadership on employee performance and to develop guiding principles that help professionals apply them practically and encourage the development of the performance of officials for a better work environment and satisfactory performance.

1.2. Research Problem:

More research and investigation are needed in the field of management and leadership to fill in the theoretical and practical gaps and uncover the obstacles that hinder the accomplishment of organizations and projects, worker contentment, and the caliber of their outcomes.

To improve effective practical practices, researchers seek to do so through renewed studies. The research problem in this study includes the areas of theoretical gaps and practical gaps.

1.2.1.Theoretical Gaps:

- Although there is research on the impact of leadership styles on employee performance, there is a great need to focus on leadership as a whole and its comprehensive impact, even in creating a competitive advantage, In a competitive business environment, organizations rely on their leaders to facilitate the changes and innovations required to maintain competitive advantage. In reality, with work pressures, individuals have become interested in a positive work environment and see it as an irresistible advantage, ignoring other temptations. O. A. Kehinde & H. A. Banjo(2014).
- There is a lack of understanding that the role of the leader is not limited to achieving goals and delivering what is required, but also to inspiring others, strengthening their sense of belonging, training them, and communicating strongly. When you become a leader, success is all about growing others. Jack Welch.

1.2.2. Practical Gaps:

- The lack of research on the direct impact of employee performance and, consequently, on organizational performance.
- The need to expand empirical research to measure the extent to which organizations and individuals are affected by negative leadership.
- Neglecting the human aspect of work, which is in fact a fundamental factor in creating a positive and harmonious culture among all members of the organization.

This study addresses the main research question:

“How Leadership Affects Employee Performance?”

1.3. Research Significance:

The significance of this research stems from its exploration of both theoretical and practical dimensions, which aids in identifying and bridging gaps, thereby contributing to the development of work environments and enhancing the overall performance of the organization. This is accomplished by thoroughly examining the influence of leadership on employee performance.

1.3.1.At the theoretical level:

- Leaders move away from their default and preferred styles, opting instead for a leadership approach that aligns with their team's characteristics, what suits them best, and the goals that need to be accomplished. The research outlines seven principal leadership styles.
- Expanding and developing theoretical models, studying two aspects—negative leadership and positive leadership—and setting guidelines for highly effective, highly satisfying practices.

1.3.2.At the practical level:

- Boost creativity and innovation:
Leadership plays a decisive role in enhancing organizational creativity (Mumford et al., 2002; Amabile et al., 2004), launching and driving innovation projects (Stoker et al., 2001; Bossink, 2007), and implementing innovation projects and overcoming resistance (Gilley et al., 2008). Somech (2006) concludes that corporate leaders are the key drivers, who either promote or inhibit innovation management in the organization.(Peter Kesting et al,2015).
- Achieving goals, quality performance, and high productivity.
- Coach the team if it is frustrated and build it to be more effective.
- Decision makers in small and large institutions and projects benefit from gaining information and guidance that helps in choosing positive officials and leaders who will not be a cause of future losses for the organization or a cause of a lack of attracting talent.
- Create a clear culture within the organization that makes everyone contribute and participate to achieve the vision.
-

1.4. Research Questions:

The current study aims to answer the following main question in addition to sub-questions that must be answered: **“How Leadership Affects Employee Performance?”** This question is answered through several aspects of leadership and its impact on employee performance.

- How does directive leadership affect employee performance?
- How does supportive leadership affect employee performance?
- How does participative leadership affect employee performance?
- How does achievement leadership affect employee performance?

1.5. Research Objectives:

The general objective is to explore the relationship between leadership on employee performance. The sub-objectives:

- identifying the effect of directive leadership on employee performance at Sign Restaurant Chain in Saudi Arabia.
- Identifying the effect of supportive leadership on employee performance at Sign Restaurant Chain in Saudi Arabia.
- Identifying the effect of participative leadership on employee performance at Sign Restaurant Chain in Saudi Arabia.
- Identifying the effect of achievement leadership on employee performance at Sign Restaurant Chain in Saudi Arabia.

1.6. Research Hypotheses:

The Main Hypothesis H1: There is a statistically significant relationship between leadership on employee performance.

- **The first sub-hypothesis, Ha:** There is a statistically significant relationship between directive leadership on employee performance.
- **The second sub-hypothesis, Hb:** There is a statistically significant relationship between supportive leadership on employee performance
- **The third sub-hypothesis, Hc:** There is a statistically significant relationship between participative leadership on employee performance.
- **The fourth sub-hypothesis Hd:** There is a statistically significant relationship between achievement leadership on employee performance.

1.7. Research Model:

The figure below illustrates the relationship between the research variables and the hypotheses as follows:

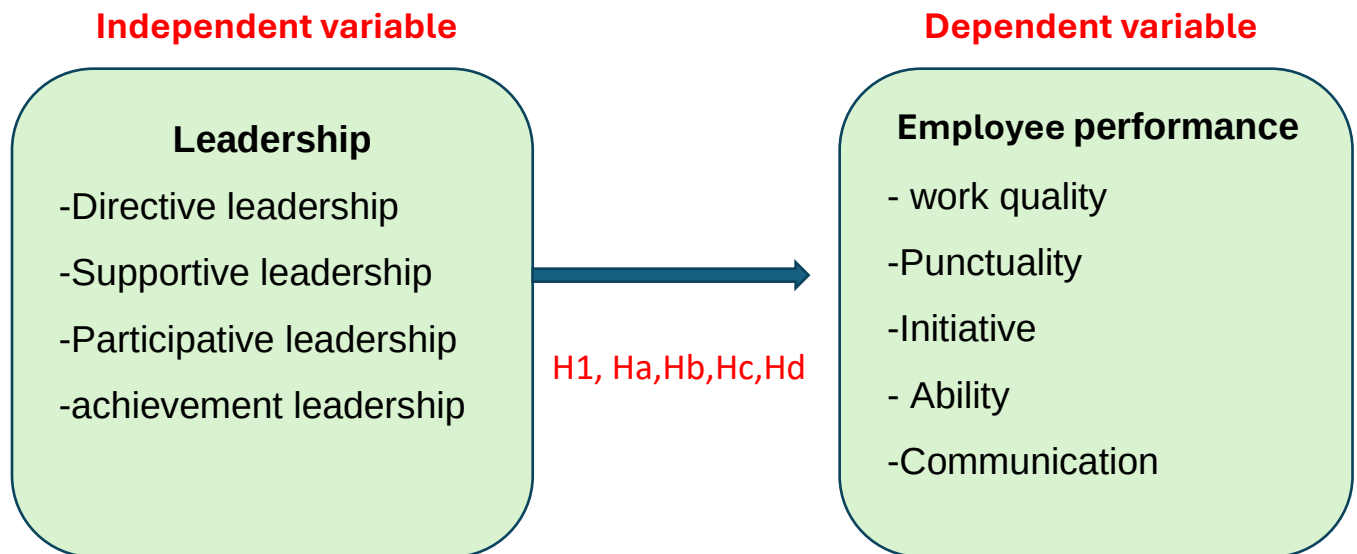


Fig.1: Research Model, Designed by the researcher.

1.8. Empirical Study:

Sign started in 2022, and the brand continues to expand as the branches reached about 12 branches so far in 2024. The brand is famous on social media and in real life, which has made it always crowded for what they offer, from distinctive designs to delicious burgers every time!

Maintaining this high level of performance requires investing in managers and employees, who are crucial to consistently delivering the best burgers to customers. Sign ensures food quality by offering refunds if the food is not to the customer's liking, a policy rarely found in today's restaurants. In conclusion, examining the influence of leadership on employee performance at Sign Burger highlights its significance within the industry and demonstrates the relationship and impact of these two variables.

1.9. The Suggested Project Structure:

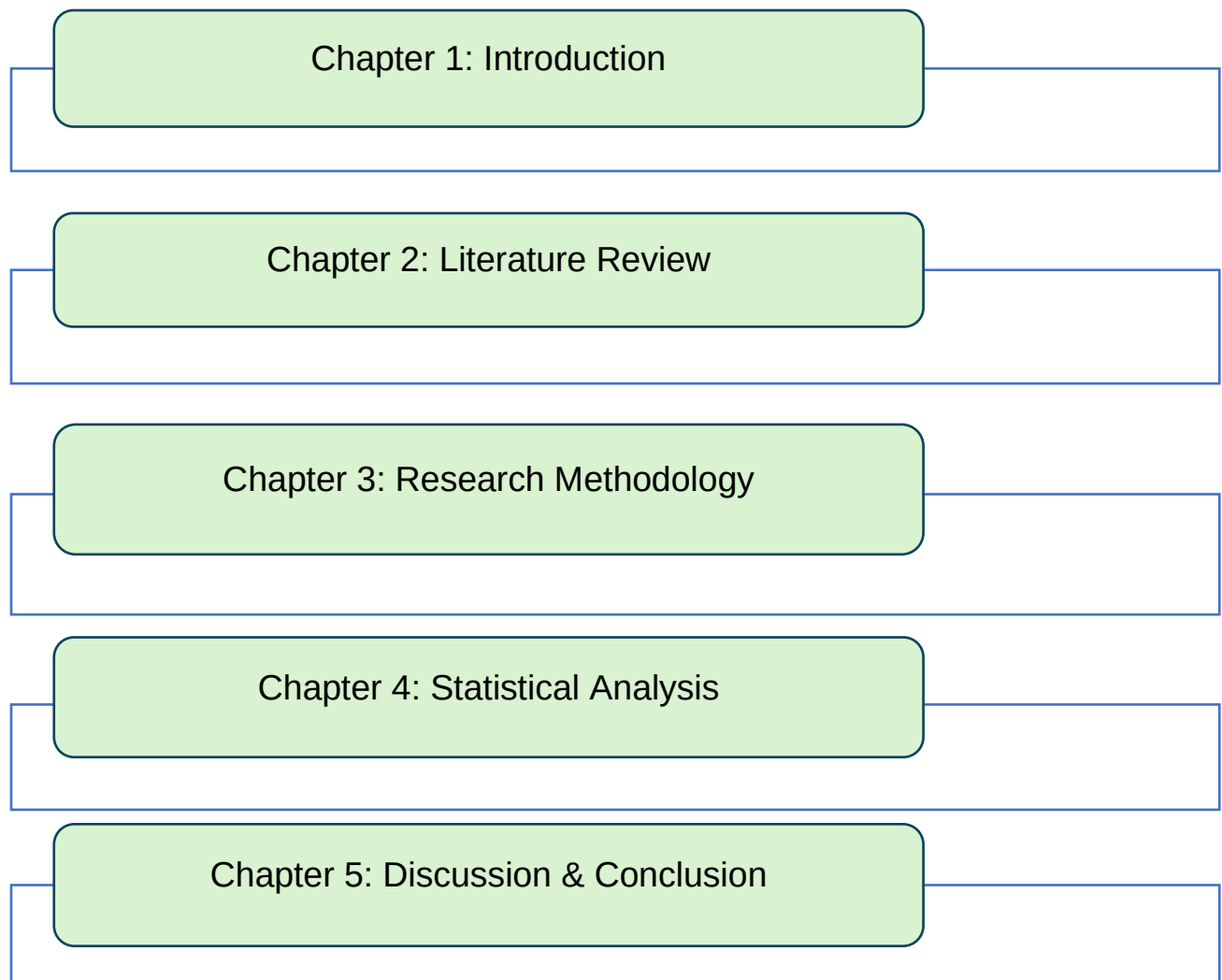


Fig.2: The suggested Project Structure, Designed by the researcher.

2. Chapter 2: Literature Review

2.1. Introduction:

Scientific research delves deeply into the concept of leadership, highlighting its significance and influence within organizations and businesses. This focus underscores how leadership can profoundly affect employee performance and, consequently, the objectives and overall performance that institutions strive to achieve.

Many studies have contributed to clarifying the impact of leadership styles on the performance of the organization as well as on the performance of employees. We benefit from these studies in shedding light on the different methods and gaining knowledge to apply the appropriate method for the nature of the organization and its employees. Choosing the optimal method makes operations smoother and goals are achieved effectively.

In short, leadership is a complex phenomenon that touches on many other important organizational, social, and personal processes. It depends on a process of influence, whereby people are inspired to work towards group goals. Bolden, R. (2004).

Whereas employee performance has been related to outcomes, results, and accomplishments by Cardy (2004). Bose, I., & Emirates, U. A. (2018).

2.2. Leadership:

We can say that it is of great importance. "leadership is about enabling ordinary people to produce extraordinary things in the face of challenge and change and to constantly turn in superior performance to the long-term benefit of all concerned" Jooste, K. (2004).

What is leadership?

“Leadership is a process of social influence, which maximizes the efforts of others towards the achievement of a goal” Kruse, K. (2013).

Leadership theories:

“From the late 1800s to about 1930, leadership theories emphasized control and centralization of power. The “Great Man” theory, which suggests that leaders are born and not made, supported the existence of some mysterious qualities vested in select individuals and frequently passed between generations. This model faded from popularity in the 1930s and 1940s as ‘trait’ theories appeared that attempted to identify specific traits qualifying an individual for leadership. Stogdill identified six trait groupings associated with leadership, including capacity, achievement, responsibility, participation, status, and situation, but concluded that these traits did not sufficiently explain leadership: “A person does not become a leader by virtue of the possession of some combination of traits” Klingborg, D. J et al, (2006).

The path-goal theory specifies four dimensions of leadership

“The four kinds of leader behavior Included In the theory are (1) directive leadership, (2) supportive leadership, (3) participative leadership, and (4) achievement-oriented leadership.” Robert J. House, et al (1975).

The role of Leadership is highly influential it “allows managers to affect employee behaviour in the organization.” Naile et al (2014).

“Perhaps one of the most intriguing differences between academia and the outside world has to do with their view of the actual importance of leadership. Countries, armies, companies, sport teams, churches, and organizations of all kinds, including universities, are desperately looking for leaders that can guide them to a better position. Somehow they know that if they do not have good leaders it is going to be very difficult to accomplish their objectives and goals.”Silva, A. (2014).

Fig.3: Preferred leadership style for motivation.

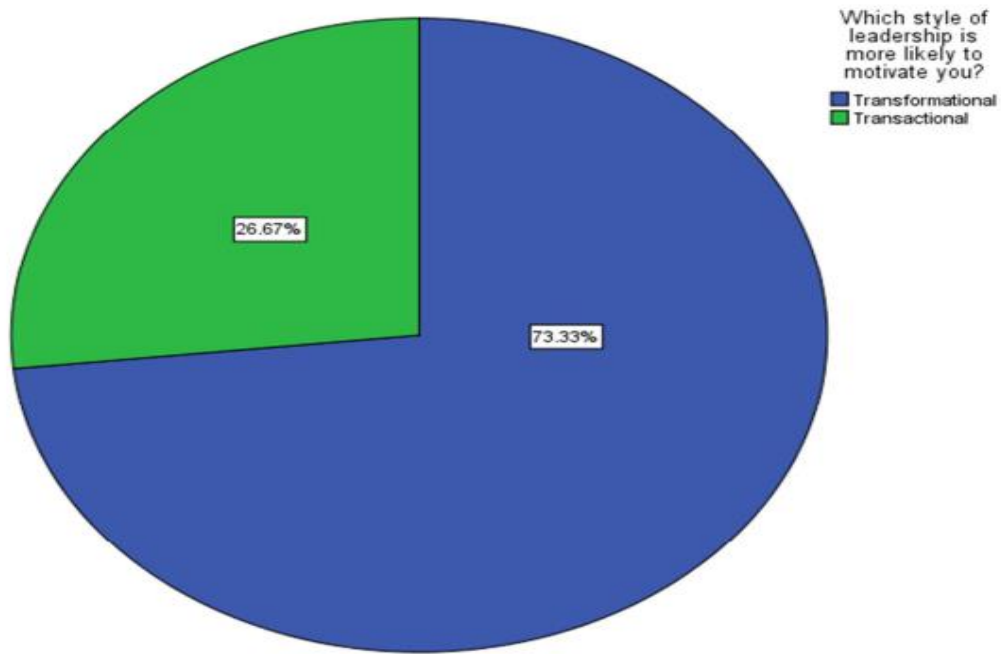


Figure 6. Participants Preferred Leadership style for Motivation.

Source: Ali M. Alghazo*, Meshal Al-Anazi (2016).

Table 1: Correlation between the impact of leadership and organisation Performance.

	Correlations	Effective leadership	Level of performance
Effective leadership	Pearson Correlation	1	.536 **
	Sig. (2-tailed)	200	.000
	N		250
Level of performance	Pearson Correlation	.536 **	1
	Sig. (2-tailed)	.000	200
	N	250	

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

Source: Ibrahim, A. U., & Daniel, C. O. (2019).

Table 2: Profile of existing research on participative leadership (LS1b).

People	Means	Effects	Goals
One leader (consult)	Freedom to develop solutions	Innovative climate	Ideation
	Early involvement in projects	Increased conflict level	Product innovation R&D

Source: Kesting, P et al, (2015).

Table 3: Profile of existing research on directive leadership (LS1a).

People	Means	Effects	Goals
One leader (direct)	Controlling, monitoring, instructing, hierarchical influence	Establishing clear rules	Implementation
	Providing a framework for decision making and action		

Source: Kesting, P et al, (2015).

2.3. Employee performance:

“**The definition of performance** (work performance) is the work quality and quantity achieved by an employee in carrying out his function in accordance with the responsibilities given to him.” (Utin, N. H., & Yosepha, S. Y., 2019).

The development of employee Performance:

Campbell, J. P., & Wiernik, B. M. (2015). They conclude in their research that “until the 1980s, there were virtually no attempts to model individual job performance as a construct. There was only the “criterion problem” (Austin & Villanova 1992), and the objective was to find performance indicators that approximate the “ultimate” criterion as closely as possible. The ultimate criterion was defined as an indicator of an individual’s total contribution to the goals of the organization. Unfortunately, no such indicator exists. The situation began to change during the 1980s. For example, the Army Selection and Classification Project (Project A)

was able to systematically select a sample of entry-level technical jobs from a population of jobs, develop over 100 separate indicators of performance for each job, and collect performance data on two cohorts of 10,000 enlisted personnel at three points in time: at the end of training, at the end of their first tour of duty, and near the end of their second tour of duty after they had assumed leadership responsibilities (see Campbell & Knapp 2001). This permitted extensive applications of confirmatory factor analysis to test substantive models of the latent structure of performance. Subsequently, multidimensional models of performance as a construct were discussed by Borman & Motowidlo (1993), Campbell et al. (1993), and Murphy (1989a).”

In her research, Dedi Iskanto (2020) conveyed the dimensions of employee performance from Sedarmayanti.

The dimensions are:

- a) Work Quality
- b) Punctuality
- c) Initiative
- d) Ability
- e) Communication

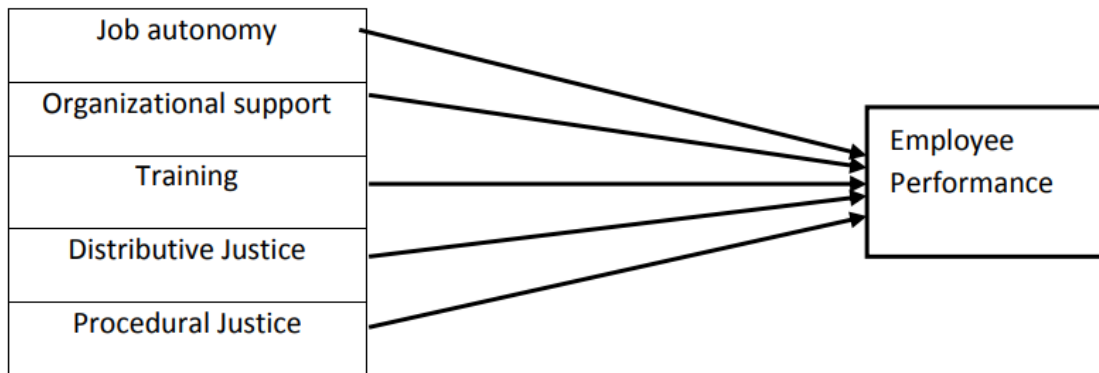
Bell, E. (2008). collected some of the **performance theories** in her book “Performance Theories”, and said “Ronald Pelias and James VanOosting(1987) claim that the basic concepts of any performance theory are text, event, performance, and audience. For Richard Bauman (1977), the “patterning” of performance involves event, act, role, and genre. Richard Schechner(2002b,215) delineates the elements of the performance quadrilog: source, producers, performance, and partakers.”

Table 4: Factors that Affect Employees' Performance in the Organization.

Factors	Frequency	Percentage (%)
Managerial standards	3	3.8
Motivation	11	13.8
Commitment	7	8.8
Employee evaluations	9	11.3
Positive environment	3	3.8
Technology	14	17.5
Lack of incentives	10	12.5
Comfort level	5	6.3
Poor management	10	12.5
All the above	8	10
Total	80	100

Source: Ibrahim, M., & Brobbey, V. A. (2015).

Fig.4: Five Major Practices Affect Employee Performance



Source: Hameed, A., & Waheed, A. (2011).

2.4. The relationship between leadership and employee performance:

Table 5: Simple Regression Analysis.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	22.190	4.136		5.365	,000
	leadership	.462	.087	,552	5.339	,000

a. Dependent Variable: performance

Source: Iskanto, D et al (2021).

Based on this table, Iskanto, D et al (2021) conclude that “This means that there is a leadership influence on employee performance. With the meaning of the word Hypothesis (Ha) is accepted. A positive t value indicates that the leadership variable has a significant and positive relationship to employee performance.”

Mohammed, U. D., et al (2014). “The study evaluated the relationship between leadership style and employee performance in organization which revealed a positive relationship between the two variables.”

Lor, W., & Hassan, Z. (2017). “Supportive leadership has a positive and significant influence on employee performance. This means when managers engage themselves in displaying supportive leadership behaviors such as consideration, listening and caring, providing positive feedback, building confidence, and enabling self-control towards employees results high employee performance.”

2.5. Conclusion:

After reviewing the literature and reviewing some conclusions, we find that there is an important relationship between leadership and employee performance. Each variable has dimensions, and all of these dimensions are affected by each other. This research helps us find strengths and weaknesses for improvement and development. Previous research leaves room for other research related to other factors affecting employee performance and also the extent of the influence of leadership. Is it really important and has a direct impact on employee performance in all circumstances and companies?

My research has contributed to the review of different views and deep insight into leadership and the importance of highlighting its great impact on performance.

3. Chapter 3: Research Methodology

3.1. Introduction:

This chapter outlines the research methodology employed to investigate (The impact of leadership on employee performance in Sign Restaurant Chain in Saudi Arabia. It details the operational definitions for research variables, research design, research population & sampling methods and technique, data collection methods, types of data, and data analysis methods & procedures.

3.2. Operational definitions for research variables:

An operational definition describes how a variable will be measured, observed, or manipulated. It helps researchers ensure that their studies are consistent, reliable, and valid.

3.2.1. Leadership (The independent variable)

Leadership can be operationalized as the percentage of employees who are positively influenced, satisfied with, and respond effectively to the leader.

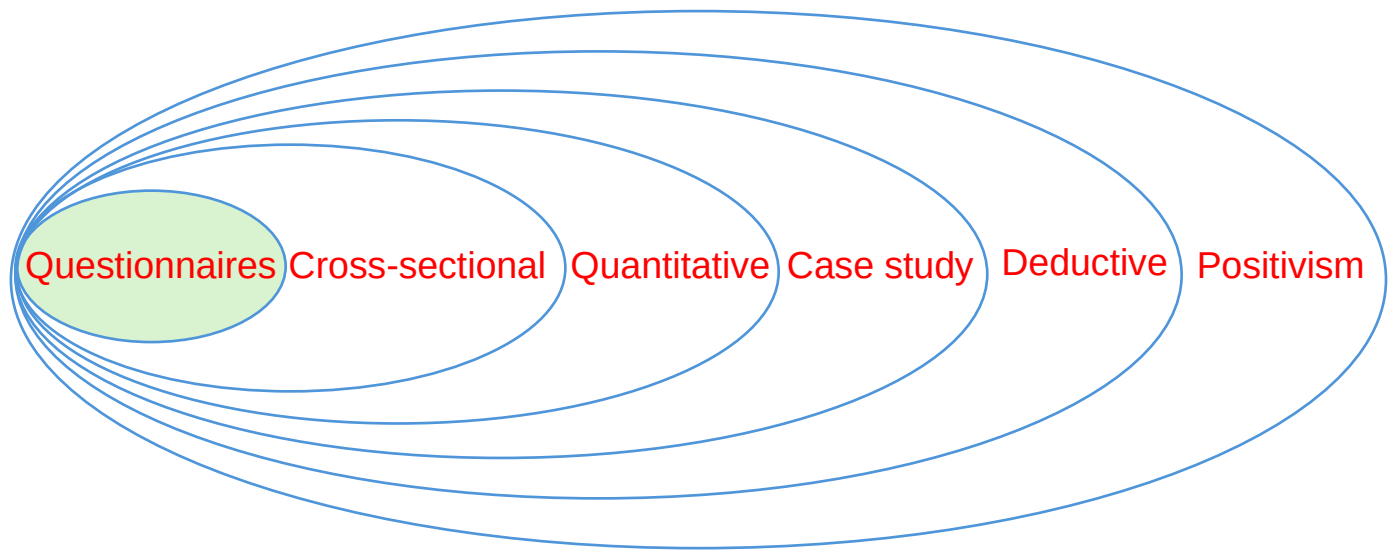
3.2.2. Employee performance (The dependent variable)

Employee performance can be operationalized as the degree to which an employee effectively meets job requirements.

3.3. Research design

- ❖ Research philosophy: Positivism
- ❖ Research approach: Deductive
- ❖ Research strategy: Case study
- ❖ Research choice: Quantitative
- ❖ Time horizon: Cross-sectional
- ❖ Data collection and analysis techniques: Questionnaire and statistical analysis.

Fig 5: Research methodology for the project Designed by the researcher.



3.4. Research population & Sampling Methods and technique

This section provides information about the study population and sample, explaining the methods and techniques developed to select and determine the sample size.

3.4.1. Research Population

Table 6: Research Population

Company name	Classifications	Number of employees
Sign Restaurant	Stuff	51-200

By the researcher, (2024).

3.4.2. Research Sample

Table 7: Research Sample

The research sample	Sample size
Target employees in the Sign Company	30 Employees

By the researcher, (2024).

3.4.3. Sampling Method & Techniques

Samples are taken from non-probability samples and using convenience samples through a questionnaire.

3.5. Data collection method

The collected data will be analyzed Statistically. Statistical analysis involves identifying, analyzing, and turning raw data into useful information. This approach will help to uncover the key relationships between the Independent variable (Leadership) and the Dependent variable (Employee Performance) at (Sign Company).

3.5.1. Independent variable (Leadership)

The researcher relied on Iskanto, D's (2020) questionnaire. To measure the independent variable (Leadership), in terms of Four dimensions: Directive, Supportive, Participative, and achievement. overall, 13 items for the entire variable. The type of instrument is Likert Strongly agree, agree, neutral, disagree, strongly disagree.

Table 8: Independent variable

Variable	Variable Dimensions	Number Of Statements	Source
Leadership	First dimension: Directive.	3	Iskamto, D. (2020). The role of leadership and influence on employee performance in digital era
	Second dimension: Supportive.	4	
	Third dimension: Participative.	3	
	Fourth dimension: achievement.	3	

By the researcher, (2024).

3.5.2. Dependent variable (Employee Performance)

The researcher relied on Iskanto, D's (2020) questionnaire. To measure the dependent variable (Employee Performance), in terms of Five dimensions: Work Quality, Punctuality, Initiative, Ability, and Communication. with a total of 13 items for the entire variable. The instrument type is Likert Strongly agree, agree, neutral, disagree, strongly disagree.

Table 9: dependent variable

Variable	Variable Dimensions	Number Of Statements	Source
Employee Performance	First dimension: Work Quality.	3	Iskamto, D. (2020). The role of leadership and influence on employee performance in digital era
	Second dimension: Punctuality	3	
	Third dimension: Initiative.	3	
	Fourth dimension: Ability	2	
	Fifth dimension: Communication	2	

By the researcher, (2024).

3.6. Types of data:

Presents both primary and secondary data utilized in the study.

3.6.1. Primary data

The information is collected from questionnaires filled out by employees of the Sign Company.

3.6.2. Secondary data:

The research involved the examination of earlier studies that pertain to the topic. In addition, a comprehensive review of published scientific literature and academic books was conducted to gather insights and findings relevant to the research.

3.7. Data Analysis Methods & Procedures

After collecting data, it is essential to analyze the information gathered to draw meaningful conclusions. As, the Statistical Package for the Social Sciences (SPSS), specifically version 28, was used to analyze the collected data. The sample profile test was conducted, via descriptive analysis, to gain insights into the characteristics of the sample population. It helps researchers understand the demographics, preferences, and other relevant information about the individuals involved in the study. Validity and reliability tests are crucial in ensuring the data collected is accurate and consistent. Validity tests (Exploratory factor analysis) to determine if the research instruments measure what they are intended to measure, while reliability tests (Cronbach's Alpha test) assess the consistency of results over time. The sample profile test was conducted, via descriptive analysis, to gain insights into the characteristics of the sample population. It helps researchers understand the demographics, preferences, and other relevant information about the individuals involved in the study.

3.8. Conclusion

It has been concluded that leadership significantly and effectively impacts employee performance and the overall performance of the organization, both directly and indirectly. By emphasizing the leader's characteristics, adopting positive leadership practices, and exerting an effective influence on employees, organizations can achieve excellence and foster a harmonious internal culture. This, in turn, helps in successfully reaching professional goals.

4. Chapter 4: Statistical Analysis & Findings Discussion

4.1. Introduction

This chapter presents the results of the field study that were statistically analyzed using the statistical program SPSS version 28. The current chapter of statistical analysis includes descriptive statistics for the sample under study using SPSS version 28. Testing the validity and reliability of the questionnaires used to collect the required data from the current study sample. To test the research hypotheses and the suitability of the model, simple linear regression analysis was conducted via SPSS 28.

4.2 Characteristics of the study sample

The study sample was distributed according to gender, age group, number of years of experience, and educational level.

Frequencies and percentages were calculated for the study sample members and are represented by demographic information that includes:

- Gender includes (male, and female).
- The age group includes (Less than 20 Yrs, 20-35 Yrs, 35-50 Yrs).
- Number of years of experience (Less than 3 years, 4-6 Yrs, 7-10 Yrs, above 11 years).
- Educational level, including (Less than Secondary, Secondary, bachelor's, Master).

Table 10: Description of the study sample

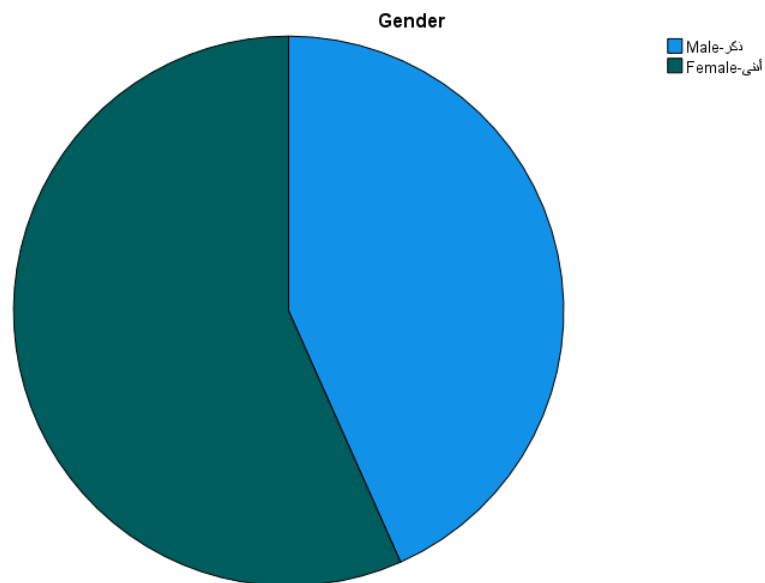
Variable	Variable classes	The number	Percentage of the total sample
Gender الجنس	Male-ذكر	13	43.3
	Female-أنثى	17	56.7
	Total	30	100.0
The age group الفئة العمرية	Less than 20 Yrs	2	6.7
	20-35 Yrs	23	76.7
	35-50 Yrs	5	16.7
	Total	30	100.0
Number of years of experience سنوات الخبرة	(Less than 3 years	12	40.0
	4-6 Yrs	10	33.3
	7-10 Yrs	7	23.3
	above 11 years	1	3.3
	Total	30	100.0
Educational level المستوى التعليمي	Less than Secondary	1	3.3
	Secondary	7	23.3
	bachelor's	21	70.0
	Master	1	3.3
	Total	30	100.0

Source: by the student based on the statistical results.

From the data in Table, the following results were extracted:

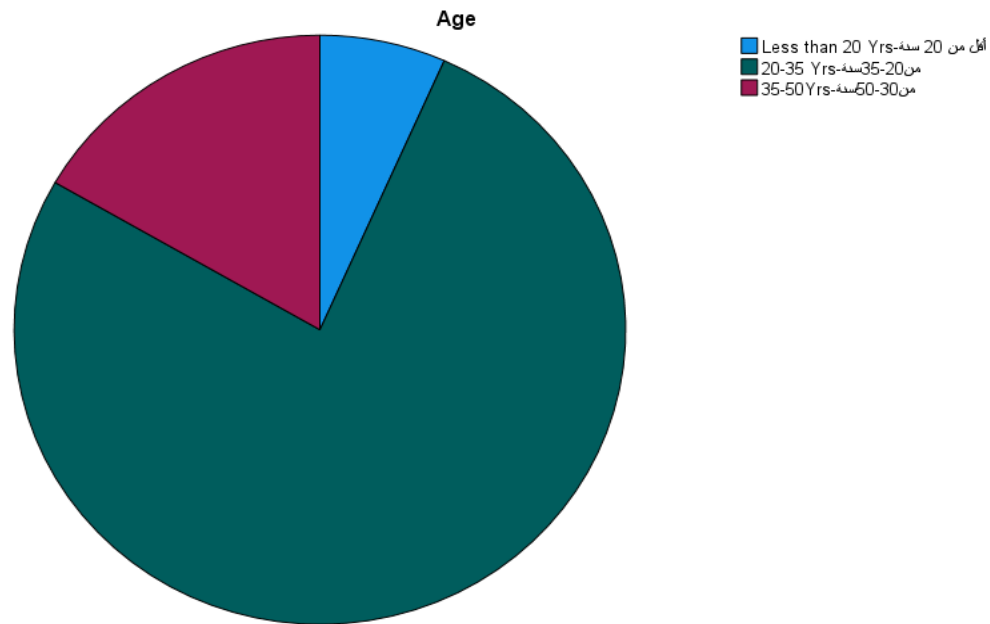
Regarding gender, the statistical results showed that, despite the similarity of the number of males and females in the sample, the number of females was greater than the number of males, as the number of males reached 13 individuals, representing 43.3% of the total sample, while the number of females reached 17 individuals, representing 56.7% of the total sample. As shown in the following figure:

Fig.6: Sample classification according to gender



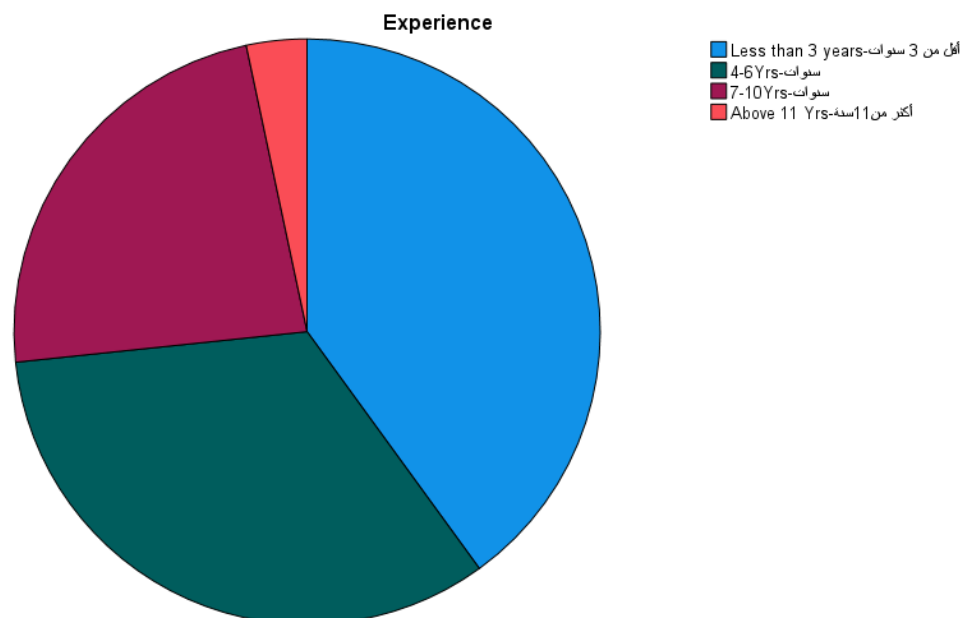
- As for age 2 items were found less than 20 Yrs, at a rate of 6.7%, while the age group 20-35 Yrs had 23 items, at a rate of 76.7%. The age group 35-50 Yrs had 5 items, at a rate of 16.7. The following figure illustrates this.

Fig.7: Classification of the study sample according to age



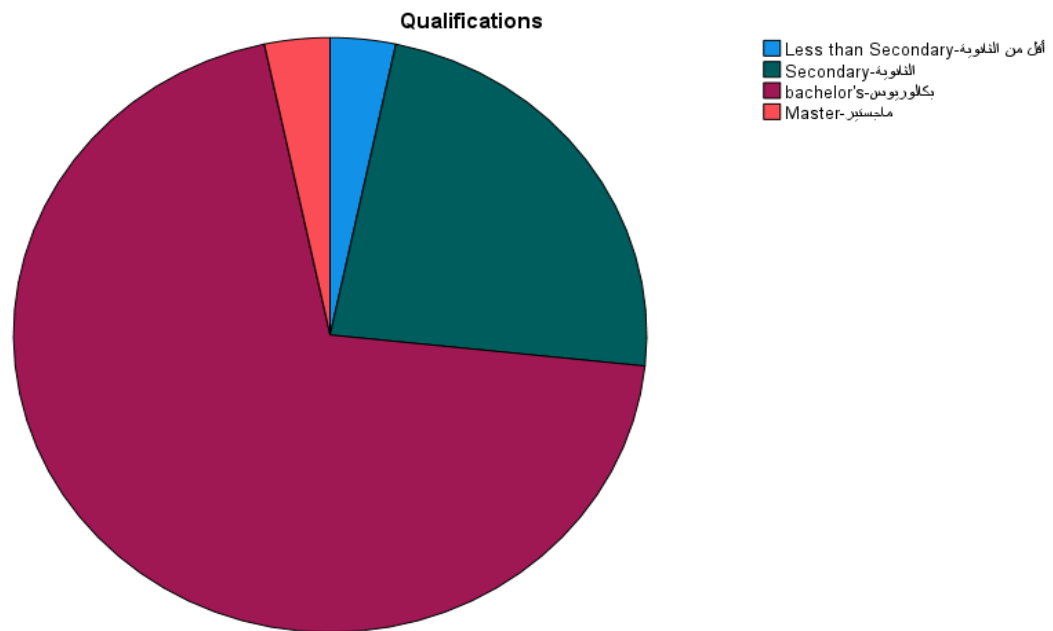
Regarding the number of years of experience: 12 items were less than 3 years of experience, at a rate of 40.0%, while 4-6 Yrs had 10 items, at a rate of 33.3%. And 7-10 Yrs had 7 items, at a rate of 23.3%, While above 11 Yrs had 1 item at a rate of 3.3%. The following figure illustrates this.

Fig.8: Classification of the study sample according to the level of experience



the educational level: The number less than the secondary was 1 item, representing 3.3% of the total sample. The number of secondary was 7 items, and 23.3% of the total sample. the number of bachelor's was 21 items, and 70.0% of the total sample, while the number of master's was 1 item and 3.3% of the total sample. The following figure illustrates this

Fig.9: Sample classification according to educational level



4.3. Measuring the validity and reliability of study instruments

To verify the validity and reliability of the measures used in the study, the internal consistency validity of the questionnaires used to measure the study variables was tested, in addition to measuring the convergent validity by measuring the Average Variance Extracted (AVE). While the reliability of the measures used in the study was measured by Measuring the value of Cronbach's alpha, through the structural equation modeling (SEM), using the statistical analysis program SPSS version 28. The following paragraphs and tables explain this.

4.3.1. Validity of the measures used in the study

The internal consistency validity of the scales used to measure the study variables was tested, in addition to measuring the convergent validity by measuring the average variance extracted.

Internal consistency validity: It means the extent to which each statement of the questionnaire is consistent with the variable to which it belongs. Therefore, the researcher measured the internal consistency of the questionnaires by calculating the correlation coefficients between the score of each statement and the total score of the variable to which it belongs. According to Kaiser's (1974) study, a correlation coefficient of less than 0.5 is removed from the questionnaire.

Convergent Validity: The average variance between statements that measure the same scale is measured by calculating the average variance extracted (AVE), whose value must be greater than 0.5 according to Hair et al (2006).

The following tables show the statistical results for (correlation coefficients, standard deviation, calculated T value, and P value between the score of each statement and the total score of the variable to measure the validity of the internal consistency of the questionnaires. Also, calculating the value of the average variance extracted (AVE) to measure the convergent validity of the questionnaires through the equation model. Structural SPSS version 28, as follows:

Table 11 The measure of the Validity

Variable		Statements	KMO	Factor loadings	Standard deviation	P Value	Average variance extracted	
Leadership	First dimension Directive	A1	.551	.317	.822	0.00	1.90	1.88
		A2		.644		0.00		
		A3		.622		0.00		
	Second dimension Supportive	B1		.586	.684	0.00	1.86	
		B2		.688		0.00		
		B3		.729		0.00		
		B4		.595				
	Third dimension Participative	C1		.643	.820	0.00	2.16	
		C2		.633		0.00		
		C3		.387		0.00		
	Fourth dimension achievement	D1		.534	.480	0.00	1.61	
		D2		.741		0.00		
D3		.739	0.00					
Employee Performance	First dimension work quality	BA1	.555	.701	.656	0.00	1.77	1.78
		BA2		.795		0.00		
		BA3		.602		0.00		
	Second dimension punctuality	BB1		.711	.806	0.00	1.86	
		BB2		.656		0.00		
		BB3		.547		0.00		
	Third dimension Initiative	BC1		.494	.547	0.00	1.67	
		BC2		.532		0.00		
		BC3		.615		0.00		
	Fourth dimension Ability	BD1		.390	.824	0.00	1.83	
		BD2		.612		0.00		
	Fifth dimension Communication	BE1		.614	.738	0.00	1.80	
		BE2		.721		0.00		

It is clear from the table above:

The scale of applying the Leadership: All correlation coefficients for all statements are strongly correlated with their dependent variable (the variable and its dimensions), at values greater than 0.7. In addition, the

values of all correlation coefficients for the statements are statistically significant at a significant level less than 0.001. Accordingly, the internal consistency validity of the scale has been achieved. Also, from the results above related to the value of the average variance extracted AVE, it is clear that its value for the variable of applying (the variable and its dimensions) is $0.565 > 0.5$. Accordingly, the convergent validity of the questionnaire has been achieved.

The scale of applying the Employee Performance: All correlation coefficients for the statements that measure (the variable and its dimensions) have a value greater than 0.7. In addition, the values of all correlation coefficients for the statements are statistically significant at a significant level less than 0.0001. Accordingly, the internal consistency validity of the scale has been achieved in its dimensions. Also, from the results above related to the value of the average variance extracted AVE for the variable of (the variable and its dimensions) as a whole, which is equal to 0.736, the values of the average variance extracted (for the dimensions of the variable) are: 0.770, 0.0758, respectively. Accordingly, the convergent validity of the questionnaire has been achieved.

4.3.2. Reliability of the study tool

The stability of the questionnaire refers to the stability of the questionnaire results and their non-change significantly if they were redistributed to the sample individuals several times during specific periods. To measure the stability of the questionnaires used to measure the study variables, Cronbach's alpha values were calculated using SPSS version 28. According to (2010) Hair et al, the value must be greater than 0.7 for the scale to be stable.

Table 12: Reliability of the study

Variable		Number Of Statements	Cronbach's alpha	
Leadership	First dimension Directive	3	.612	.632
	Second dimension Supportive	4	.431	
	Third dimension Participative	3	.467	
	Fourth dimension Achievement	3	.674	
Employee Performance	First dimension work quality	3	.598	.711
	Second dimension Punctuality	3	.647	
	Third dimension Initiative	3	.671	
	Fourth dimension Ability	2	.673	
	Fifth dimension Communication	2	.718	

The statistical results showed that Cronbach's alpha values for the two variables were greater than, and thus, the scale's stability was achieved. According to Hair et al. (2010), the scale's stability has been achieved.

4.4. Descriptive statistics for research variables (answer research questions)

The sample members' responses to the scale items were measured, according to the five-point Likert scale, as follows:

Strongly agree	Agree	Neutral	Disagree	Strongly disagree
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Table 13: Descriptive analysis of study variables

level (degree) Practice/Importance	Relative weight %	Result (general trend)	The value of the arithmetic mean
Very High	From 20 to less than 36%	Strongly agree	From 1 to less than 1.80
High	From 36 to less than 52%	Agree	From 1.80 to less than 2.60
Middle	From 52 to less than 68%	Neutral	From 2.60 to less than 3.40
Low	From 68 to less than 84%	Disagree	From 3.40 to less than 4.2
very Low	From 84 to less than 100%	Strongly disagree	From 4.20 to less than 5

The following table shows the descriptive analysis of the study variables represented by the arithmetic means based on the five-point Likert scale and the standard deviations of the variables according to the table related to the importance of the arithmetic mean.

Table 14: Arithmetic means and standard deviations of the study variables

Variable		Arithmetic Mean		Standard deviation		General trend	Level of importance
Leadership	First dimension Directive	1.90	1.88	.822	.498	Agree	High
	Second dimension Supportive	1.86		.684		Agree	High
	Third dimension Participative	2.16		.820		Agree	High
	Fourth dimension Achievement	1.61		.480		Strongly agree	Very High
Employee Performance	First dimension work quality	1.77	1.78	.656	.493	Strongly agree	Very High
	Second dimension Punctuality	1.86		.806		Agree	High
	Third dimension Initiative	1.67		.547		Strongly agree	Very High
	Fourth dimension Ability	1.83		.824		Agree	High
	Fifth dimension Communication	1.80		.738		Agree	High

The table above for the arithmetic means and standard deviations of the study variables shows the following:

- ✓ The results of describing the independent variable leadership: show that the general trend of the study sample items is Agree, which indicates the achievement of a high leadership level in the Sign restaurant.

- ✓ Dependent variable: Employee performance: The results showed that the general trend of the study sample items was Agree, which indicates a high level of employee performance in the Sign restaurant.

4.5. Linear correlation coefficients between the study variables

The following table shows the linear correlation coefficients (Pearson) between the study variables, which were measured using SPSS-V 28.0 as follows:

Table 15: Linear Correlation Coefficients

		Correlations										
		Directive	Supportive	Participative	Achievement	Variable_Leadership	Work_quality	Punctuality	Initiative	Ability	Communication	Variable_Employee_Performance
Directive	Pearson Correlation	1	.337	.342	.073	.669**	.033	.377*	.239	-.289	.155	.175
	Sig. (2-tailed)		.069	.064	.702	<.001	.861	.040	.204	.122	.412	.355
	N	30	30	30	30	30	30	30	30	30	30	30
Supportive	Pearson Correlation	.337	1	.573**	.281	.831**	.231	.478**	.223	.056	.317	.396*
	Sig. (2-tailed)	.069		<.001	.132	<.001	.219	.008	.237	.768	.087	.030
	N	30	30	30	30	30	30	30	30	30	30	30
Participative	Pearson Correlation	.342	.573**	1	.149	.786**	.198	.360	.222	-.062	.205	.285
	Sig. (2-tailed)	.064	<.001		.431	<.001	.294	.051	.238	.743	.277	.127
	N	30	30	30	30	30	30	30	30	30	30	30
Achievement	Pearson Correlation	.073	.281	.149	1	.426*	.481**	.375*	.613**	.252	.211	.559**
	Sig. (2-tailed)	.702	.132	.431		.019	.007	.041	<.001	.179	.263	.001
	N	30	30	30	30	30	30	30	30	30	30	30
Variable_Leadership	Pearson Correlation	.669**	.831**	.786**	.426*	1	.293	.566**	.406*	-.054	.318	.467**
	Sig. (2-tailed)	<.001	<.001	<.001	.019		.117	.001	.026	.777	.087	.009
	N	30	30	30	30	30	30	30	30	30	30	30
Work_quality	Pearson Correlation	.033	.231	.198	.481**	.293	1	.507**	.385*	.468**	.363*	.801**
	Sig. (2-tailed)	.861	.219	.294	.007	.117		.004	.036	.009	.049	<.001
	N	30	30	30	30	30	30	30	30	30	30	30
Punctuality	Pearson Correlation	.377*	.478**	.360	.375*	.566**	.507**	1	.505**	.318	.162	.781**
	Sig. (2-tailed)	.040	.008	.051	.041	.001	.004		.004	.087	.391	<.001
	N	30	30	30	30	30	30	30	30	30	30	30
Initiative	Pearson Correlation	.239	.223	.222	.613**	.406*	.385*	.505**	1	.243	.199	.673**
	Sig. (2-tailed)	.204	.237	.238	<.001	.026	.036	.004		.197	.291	<.001
	N	30	30	30	30	30	30	30	30	30	30	30
Ability	Pearson Correlation	-.289	.056	-.062	.252	-.054	.468**	.318	.243	1	.269	.645**
	Sig. (2-tailed)	.122	.768	.743	.179	.777	.009	.087	.197		.150	<.001
	N	30	30	30	30	30	30	30	30	30	30	30
Communication	Pearson Correlation	.155	.317	.205	.211	.318	.363*	.162	.199	.269	1	.524**
	Sig. (2-tailed)	.412	.087	.277	.263	.087	.049	.391	.291	.150		.003
	N	30	30	30	30	30	30	30	30	30	30	30
Variable_Employee_Performance	Pearson Correlation	.175	.396*	.285	.559**	.467**	.801**	.781**	.673**	.645**	.524**	1
	Sig. (2-tailed)	.355	.030	.127	.001	.009	<.001	<.001	<.001	<.001	.003	
	N	30	30	30	30	30	30	30	30	30	30	30

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

* . Correlation is significant at the 0.05 level (2-tailed).

4.6. Testing Hypotheses & Findings Discussion

Testing the validity of the main hypothesis and its sub-hypotheses. The statistical results obtained using both SPSS v28 and SEM-PLS are presented as follows:

The Main Hypothesis H1: There is a statistically significant relationship between leadership on employee performance.

The first sub-hypothesis, Ha: There is a statistically significant relationship between directive leadership on employee performance.

- **The second sub-hypothesis, Hb:** There is a statistically significant relationship between supportive leadership on employee performance
- **The third sub-hypothesis, Hc:** There is a statistically significant relationship between participative leadership on employee performance.
- **The fourth sub-hypothesis Hd:** There is a statistically significant relationship between achievement leadership on employee performance.

Table 16: Main hypothesis test results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.467 ^a	.218	.190	.443

a. Predictors: (Constant), Variable_Leadership

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.534	1	1.534	7.802	.009 ^b
	Residual	5.505	28	.197		
	Total	7.038	29			

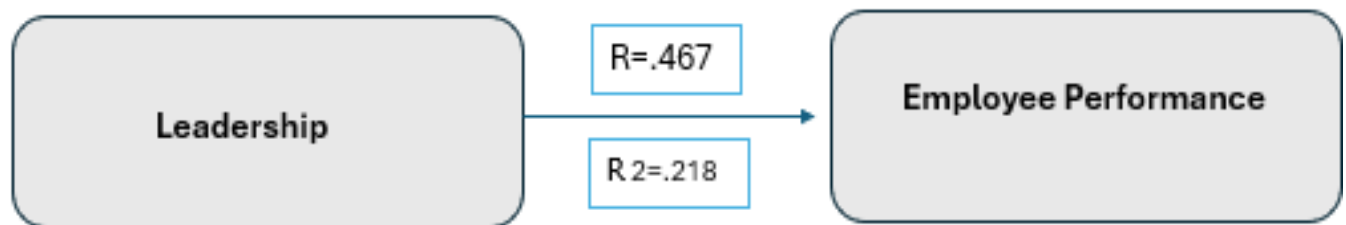
a. Dependent Variable: Variable_Employee_Performance

b. Predictors: (Constant), Variable_Leadership

Coefficients ^a							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	.912	.321	2.839	.008	.254	1.569
	Variable_Leadership	.462	.165	2.793	.009	.123	.800

a. Dependent Variable: Variable_Employee_Performance

Fig.10: Main Hypothesis Results Form



The tables above show the following:

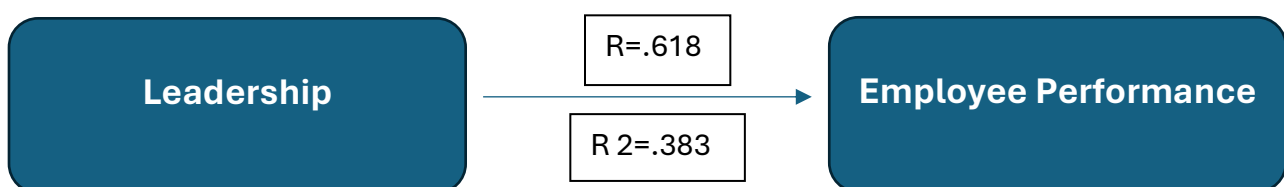
- The significance level of the F test (F.sig) is less than (0.01), which indicates the significance of the simple linear regression model at a significance level of 0.01
- The correlation coefficient value (R = 0.467) indicates a strong positive correlation between the application of digital transformation and human resource management practices (overall).
- The adjusted coefficient of determination (R²) indicates that (65%) of the variance in Leadership practices (overall).
- The value of (T) indicates the significance of the regression coefficient beta (β), as the significance level calculated for the (T) test is less than (0.01).

There is a positive correlation with statistical significance between the application of Leadership as an independent variable and Employee Performance (overall) as a dependent variable.

Table 17: The result of testing the All-sub-hypotheses of the study

Model Summary							
Model		R	R Square	Adjusted R Square		Std. Error of the Estimate	
1		.618 ^a	.383	.284		.417	
a. Predictors: (Constant), Achievement, Directive, Participative, Supportive							
ANOVA^a							
Model		Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	2.692	4	.673	3.872	.014 ^b	
	Residual	4.346	25	.174			
	Total	7.038	29				
a. Dependent Variable: Variable_Employee_Performance							
b. Predictors: (Constant), Achievement, Directive, Participative, Supportive							
Coefficients^a							
Model		Unstandardized Coefficients		Standardized Coefficients			95.0% Confidence Interval for B
		B	Std. Error	Beta	t	Sig.	Lower Bound
1	(Constant)	.550	.339		1.622	.117	Lower Bound
	Directive	.027	.102	.045	.264	.794	Upper Bound
	Supportive	.140	.145	.194	.967	.343	
	Participative	.051	.117	.085	.435	.667	
	Achievement	.502	.168	.489	2.984	.006	
a. Dependent Variable: Variable_Employee_Performance							

Fig.11: All Sup Hypothesis Results Form



The tables above show the following:

- The significance level of the test (F) indicates that it is (sig.F) less than (0.01), which indicates the significance of the simple linear regression model at a significance level of 0.01
- The value of the correlation coefficient ($R = .618$) indicates a strong positive correlation between the variable employee performance and the four dimensions of the independent variable (leadership), which are (Directive, Supportive, Participative, Achievement)
- The adjusted coefficient of determination ($2R$) indicates that (55.3%) of the variance in employee performance can be explained by the variance in the level of leadership dimensions.
- The value of (T.Value) indicates the significance of the regression coefficient (Beta β), as the level of the calculated function of the test (T) is less than (0.01). Based on the previous results, the validity of the sub-hypotheses is accepted, which states a positive correlation relationship with statistical significance between employee performance and the four dimensions of the independent variable.

4.7. Conclusion

There is a positive relationship with statistical significance between the independent variable and the dependent variable.

For the statistical analysis of the current study's data, both SPSS V 28 and SEM-PLS programs were used. The researcher conducted a descriptive analysis of the study sample and the study variables. According to the results of the statistical analysis of this study, the validity and reliability of the scales used to measure the study variables were achieved. Also, the main hypothesis of the study and the three sub-hypotheses were proven.

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Appendix

Questionnaire

Kind regards,

Please kindly answer this questionnaire which is designed to collect data for a research entitled “The Impact of Leadership on Employee Performance. A Case Study on the Sign Restaurant Chain in Jeddah, Kingdom of Saudi Arabia” .

Leadership: is a soft ability that influence others to achieve goals.

Employee performance: is the result of work in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him.

I assure you that your answers will be treated with complete confidentiality and will only be used for scientific research purposes.

I thank and appreciate your valuable effort in advance and your cooperation, which will have a great impact on the success of this study.

Link of the questionnaire:

<https://forms.gle/fGsydHEdJpYWKHBe8>

Personal questions:

Gender:

- ☐ Female
- ☐ Male

Age:

- ☐ Less than 20 Yrs
- ☐ 20-35 Yrs
- ☐ 35-50
- ☐ أكبر من 50 سنة - above 50

Qualification:

- ☐ Less than Secondary
- ☐ Secondary
- ☐ bachelor's
- ☐ Master

Experience:

- ☐ Less than 3 years
- ☐ 4-6
- ☐ 7-10
- ☐ Above 11 years

The first variable: leadership: the art to influence others to achieve goals
Depending on the dimensions: Directive, Supportive, Participative, achievement.

Table 10: Table of research instruments

Dimensions	Question	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Directive	-The leader told me what to expect from my performance. -Leaders always provide specific instructions for each complex task. -The leader will direct the employees before the assignment is given.					
Supportive	- Leaders are able to create a conducive work atmosphere. - Leaders always pay attention to the welfare of employees. - Leaders are able to grow and develop employee abilities. - The leader supports me in emergencies and problems.					
Participative	- Leadership provides freedom of opinion - Leaders always consider suggestions given by employees - Leaders always lead to guide their employees.					

achievement	- Leaders set a series of goals with their employees. - Leaders invite employees to participate in achieving goals. - Leaders can generate confidence in employees to complete tasks.					
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The second variable: Employee performance: the degree to which employees accomplish work requirements. Depending on the dimensions: Work quality, Punctuality, Initiative, Ability, Communication.

Table11: Table of research instruments

Dimension	Questions	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
Work Quality	- I do a job with the quality standards set. - I do a job with calculation and accuracy. - I don't let the speed of completion affect the quality of my work.					
Punctuality	- always come and go home according to schedule. - I always do my work on time. - For me, completion of work on time is important and must be achieved.					
Initiative	- In completing work I am able to work independently. - I already know how to do a good job. - I offer suggestions and to improve the work.					

Ability	- The work I have done has reached the target set by the company. - I am able to complete the job beyond the specified target.					
Communication	- For me, coordinating with superiors and working with colleagues is important. - I can work together with colleagues in carrying out the assigned work.					