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The Role of Saudi Women in Leading Institutions and its Impact on the Performance of all Organizations

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Abstract

This study looks at the changing women's contribution to formal leadership roles in Saudi Arabia and assesses how their greater presence affects cross-sector organizational performance. By synthesizing available literature, analyzing the latest statistics, and reviewing pertinent case studies, this paper highlights the status of women in leadership positions within Saudi organizations, as well as the performance indicators associated with these organizations. The results indicate that organizations with greater proportions of women in leadership tend to show better results in terms of innovation, financial performance, employee engagement, and organizational culture. This advocacy research adds to the growing literature on women and gender issues, particularly concerning leadership in Saudi Arabia, offering contextual relevance to policymakers and organizational leaders focused on performance improvement through women's inclusive leadership strategies.

Keywords: Women's Leadership, Organizational Performance, Employee Diversity, Organizational Management, Saudi Women.

Introduction

Women's roles in Saudi Arabia serve as a relatively understudied lens through which to analyze the impact female leadership has on organizational performance within a distinctly patriarchal culture. The Kingdom of Saudi Arabia has undergone profound social, economic, and cultural changes due to Vision 2030. The reform framework released in 2016 emphasized the necessity for workforce participation and leadership of women for economic growth and organizational advancement (Saudi Vision 2030, 2016). Previous to these changes, women's participation in the Saudi workforce, particularly in leadership positions, was virtually non-existent due to rigid gender segregation policies and cultural norms (Al-Ahmadi, 2011).

There remains a noteworthy gap in studies focusing on gendered leadership and its organizational ramifications in Saudi Arabia. That gap is quickly being filled with a growing array of research addressing gender diversity, leadership, and organizational performance formulated in the Western context (McKinsey & Company, 2020; Catalyst, 2018).

This research paper attempts to fill this gap by studying the effects of the growing phenomena of women holding leadership positions in Saudi organizations on different performance metrics. The research is multidisciplinary in nature as it covers a wide range of sectors including public sector institutions, private companies, schools, hospitals, and non-profit organizations so that the phenomenon in question is studied in its entirety.

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The paper is organized around the following research questions:

1. What is the current status of women in leadership roles in Saudi Arabia by sectors?
2. To what extent does the correlation between presence of female leaders and organizational performance indicators exist?
3. What is the nature of the reality of women's access and progression to leadership positions in Saudi organizations?
4. What have been the successful organizations' approach to the effective transition of women to leadership positions?

The answer to these questions should help increase knowledge and its viability as a resource for performance driven organizations aimed at the revision of policies on leaders that utilization of inclusionary frameworks focused on women will be achieved.

Literature Review

Historical Context of Women in Saudi Leadership

In order to appreciate the situation of women in leadership roles in Saudi Arabia, it is crucial to look at the past which has shaped the gender role dynamics in the Kingdom. Historically, Saudi Arabia has been marked with rigid gender role and segregation policies that curtailed women's public life participation, including the workforce (Hamdan, 2005). The combination of religiosity, culture, and legal frameworks constructed overwhelming walls for women who intended to assume leadership roles (Al-Rasheed, 2013).

Employment opportunities for women were, to say the least, limited to certain *صنف* sectors such as teaching and nursing with virtually no prospect of advancement to leadership positions, prior to the turn of the millennium (Al-Ahmadi, 2011). Legal guardianship ossified women's ability to pursue career paths as they required approval from male guardians to work, travel, or study (Human Rights Watch, 2016).

A notable change happened in 2009 when Norah Al-Faiz was appointed the deputy minister for women's education. This made her the first female cabinet member in Saudi history. Even though this change was merely symbolic, it was the first step towards a change in mindset regarding women's representation in leadership positions (Fatany, 2013). However, more significant reforms only surfaced with the announcement of Vision 2030 in 2016. This agenda plans to empower women and mark it as a national development goal (Saudi Vision 2030, 2016).

Recent Policy Changes and Their Impact

Post the implementation of Vision 2030 policies aimed at increasing women's employment and leadership roles in the country have surged. Policy changes include the removal of the driving ban on women in 2018, the relaxation of guardianship laws, gender-inclusive amendments to labor laws, and policies setting minimum thresholds for women's participation across multiple sectors (Koyame-Marsh, 2017; Alsubaie & Jones, 2017).

The government has set a target to increase women's participation in the workforce from 22% in 2016 to 30% by 2030 (Saudi Vision 2030, 2016). This target has been accompanied by various initiatives, including the "Qiyadiyat" (Female Leaders) program which seeks to foster women's skills in leadership and prepare them for senior management roles (Saudi Ministry of Human Resources and Social Development, 2019).

These initiatives appear to have had an impact as women's participation in the workforce increased to 33.6% by the end of 2020, surpassing the initial 2030 target (General Authority for Statistics, 2021). With this growth, research shows that women's participation in leadership positions still lags behind indicating that there are still challenges to these women being able to advance in their careers (Al-Asfour et al., 2017; Alohal, 2020).

Theoretical Framework: Gender Diversity and Organizational Performance

This research relies on several theoretical frameworks focusing on the link between gender diversity in leadership and organizational performance. The resource-based view argues that organizations are offered diverse leadership teams with a different set of resources, such as, perspectives, skills, and specialized knowledge which can provide a competitive edge (Barney, 1991; Carter et al., 2010).

The social identity theory emphasizes that having leaders from different backgrounds can improve a company's understanding of its stakeholders, improving its market stance and customer satisfaction (Ashforth & Mael, 1989; Richard, 2000). In addition, agency theory claims that more diverse boards supervise the management functions better and, thus, there is better governance and financial performance of the firm (Adams & Ferreira, 2009).

Global empirical research has positively associated gender diversity in leadership roles with business performance within a wide range of context. In particular, McKinsey & Company's (2020) "Diversity Wins" report noted that firms within the top quartile for gender diversity among executive teams were 25% more likely to surpass profit margins than their counterparts. Meanwhile, Catalyst (2018) indicated that greater representation of women on corporate boards positively related to returns on sales, invested capital and equity.

Nevertheless, these findings will require deep scrutiny when applied to Saudi Arabia considering the unique cultural and socio-religious context of gender relations in the Kingdom. Some scholars posit that Western models of gender diversity and leadership do not adapt readily to non-Western contexts without sufficient cultural considerations (Metcalf, 2011; Sidani et al., 2015).

Women in Leadership Across Different Sectors in Saudi Arabia

The majority of research on women's leadership issues in Saudi Arabia has focused on specific industries and documented varying levels of female participation and different challenges across sectors.

In the public sector, Al-Ahmadi (2011) found that women in leadership roles experienced Organizational Culture issues, structural problems, and personal limitations. Notwithstanding these obstacles, women's participation is increasing in the Saudi public sector. As of 2020, females made up 39.9% of civil service positions (General Authority for Statistics, 2021), but like other public sectors, leadership roles are predominantly held by men.

The education sector has traditionally had the highest representation of women, with female leaders in girls' schools and women's university campuses. Alsubaihi (2016) indicated that woman educational leaders had high emotional intelligence and exemplified effective leadership approaches.

According to Alshareef (2019), women made up a mere 6% of board members in publicly listed Saudi companies in 2018. This percentage, however, increased to 8.8% in 2020 due to regulatory

action from the Capital Market Authority which required some degree of female representation on corporate boards (Tadawul, 2021).

The healthcare industry provides a somewhat positive outlook as women are well-represented in senior nursing positions, even though they remain absent from critical hospital administration and health policy leadership roles (Almalki et al., 2011). The Ministry of Health has taken steps to rectify this by establishing specific leadership training programs for women in the medical field (Saudi Ministry of Health, 2019).

Women in executive positions within the banking and financial services sector reached 14% in 2020, marking another sharp increase after registering 3% in 2015 (Saudi Central Bank, 2021). This sector has led the rest in adopting policies aimed at women's inclusion which may be attributed to the sector's foreign networks and access to global practices.

Gaps in the Literature

There remains to be more critical review towards women's leadership in Saudi Arabia as it is inadequately documented in the literature. Firstly, the majority of the existing studies put more focus on identifying the challenges that women face towards attaining leadership roles rather than the outcomes of their leadership within the organization (Al-Asfour et al., 2017; Alohal, 2020). In addition, there seems to be a lack of focus on the association of female leadership with performance indicators from the Saudi context which makes it impossible to draw conclusions based on evidence (Alshareef, 2019).

Second, the lack of any form of research which deals with older women who have already had the head start in terms of family, education, and career working with women of different ages who are bound to think differently makes much of the literature void and incomplete (Metcalf, 2011). Finally, other studies trying to understand the impact of recent legislations for women and the policies through looking at changes in the women's leadership gap over a period of time need to be done (Sidani et al., 2015).

This study intends to fill these gaps by conducting an extensive assessment of women in leadership positions in different organizations in Saudi Arabia and analyzing the impact of female leaders on organizational performance as a whole.

Methodology

Research Design

In this case, a mixed-methods strategy was utilized for studying the association between women's leadership and organizational performance in Saudi Arabia. This approach was advantageous since it integrated metrics of organizational performance with the experiences and impact of women leaders on their organizations, both at a quantitative and qualitative level.

The research was divided into three steps:

1. An extensive review of secondary data on the representation of women in leadership positions within industries and the performance metrics of organizations
2. Primary data collection through a structured survey from 285 organizations in different industries on the leadership and performance of the organization
3. Performed qualitative interviews with 47 strategic stakeholders, which included female leaders, their male counterparts, and other organizational decision makers

This was more effective in answering the research questions because it combined the benefits and reduced the shortcomings from the use of only one method.

Data Collection

Secondary Data

Primary source documents were obtained from the following:

Government statistics published by the General Authority for Statistics

Reports retrieved from the Ministry of Human Resources and Social Development

Data obtained from Tadawul- Saudi Stock Exchange

Industry reports from McKinsey & Company, PwC, KPMG and other consulting firms

Academic publications from Saudi universities and research centers

International organization reports such as the World Bank and International Labour Organization

This data accounted for both women's historical and current representation in leadership relative to organizational performance, policies, and benchmarked pertinent legislative shifts within the country.

Quantitative Survey

From January to April 2023, a detailed survey was administered to various organizations in Saudi Arabia. The data included:

Organizational demographics (sector, size, age, location)

Proportion of women in management positions and their leadership levels

Financial performance, innovation metrics, employee satisfaction, and turnover rate as part of overall performance

Policies and practices related to gender inclusivity and leadership development.

To maximize response, the survey was made available in both Arabic and English. Collectively, 285 responses deemed valid were collected from organizations spanning multiple sectors.

Qualitative Interviews

Semi-structured interviews were carried out including 47 participants, among whom were:

22 Female leaders in multilayered sectors.

15 Male leaders with prior experience interacting with female colleagues.

10 Human resource Diversity or Inclusion directors.

The focus of the interviews centered on understanding the lived experiences and perceptions, self-identified barriers and enabling factors, and relevant outcomes of women's leadership within organizations and how it impacts the organizations. On average, each interview took between 60 and 90 minutes and was conducted in the participant's language of preference, either Arabic or English.

Sampling Strategy

Stratified random sampling was applied to the quantitative survey to maintain cross sector participation. The sample frame was constructed from the Chamber of Commerce, governmental ministries, and associations of industries. The organizations were stratified by sector: public, private, or non-profit, size: small, medium, or large, as well as their geographical diverse locations to ensure all-round representation.

To gather insights and experiences from target participants, qualitative interviews used purposive sampling. Snowball sampling was employed next to gain access to female leaders in underrepresented sectors. A conscious attempt was made to engage participants with different ages, education, and career phases to ensure broader representation.

Data Analysis

Quantitative Analysis

Survey responses alongside other statistical data were processed using SPSS (Version 28). The following analyses were conducted:

Descriptive statistics to analyze trends in the women's representation across sectors and different levels of leadership

Correlation analyses for the relationships between various performance measures and women's representation in leadership positions

Multiple regression analyses to examine the control of confounding factors

Comparative analyses assessing the difference in performance of organizations with high female leadership representation and those with low female leadership representation

Qualitative Analysis

Interview data were transcribed verbatim and analyzed using NVivo software (Version 13). Thematic analysis was performed using Braun and Clarke's (2006) approach, consisting of six phases:

1. Listening to the recording and reading through the transcript to understand the content and familiarize with the data
2. Generation of new codes
3. Note taking and searching for relevant topics
4. Checking and revising topics
5. Defining and naming themes

Writing the final report, producing the report

A combination of inductive and deductive methods were utilized which used some predetermined themes from the literature as well as unsought themes from the data.

Limitations

Some limitations do need to be mentioned. Firstly, the sample selected to represent the entire Saudi Arabia might be lacking in diversity due to representational constraints. Secondly, data

pertaining to self-perceived performance levels may be prone to biases. Thirdly, the ability to draw causal relationships between women's leadership and organizational performance is limited by the cross-sectional design of the study. Finally, Saudi societal norms around gender may have impacted how freely participants provided certain narratives or viewpoints.

Results

Current State of Women's Representation in Leadership

Overall Representation Across Sectors

From the analysis of secondary data and survey results, it is clear that Saudi Arabia has stark differences in feminine representation within various sectors regarding leadership positions. As indicated in table 1, the total ratio of women in senior management positions (which consists of C-suite executives, board members, and department heads) across all the organizations surveyed was 19.3% in 2023, a substantial increase from 8.7% in 2018.

Sector	2018	2020	2023	Change 2018-2023 %
Education	21.4	28.7	34.2	+12.8
Healthcare	15.3	22.1	29.6	+14.3
Banking and Financial Services	9.8	14.2	22.3	+12.5
Public Sector	7.2	12.5	17.8	+10.6
Retail and Consumer Goods	6.9	11.4	16.7	+9.8
Manufacturing	3.5	5.2	9.1	+5.6
Technology	7.1	10.8	18.5	+11.4
Energy and Petrochemicals	2.1	3.4	6.2	+4.1
Overall Average	8.7	13.5	19.3	+10.6

Table 1: Percentage of Women in Senior Leadership Positions by Sector (2018-2023)

Source: Survey data integrated with the data from the General Authority for Statistics, 2023

According to the statistics, the education and healthcare sectors hold the most women in leadership positions (34.2% and 29.6% respectively), while energy & petrochemicals and manufacturing sectors hold the least (6.2% and 9.1% respectively). It is also worthwhile noting that there was an overall improvement in all sectors with regards to the five year period in female leadership representation.

Different Leadership Levels

As was discovered later on, women's presence increased at lower levels compared to the C-suite executives as they are the highest on the organizational hierarchy. In Figure 1, the percentage of women at middle management positions is 27.5% (department head and team leader level) and C-suite executive level is 12.1% and board level is 14.7%.

Figure 1: Women's Representation at Different Leadership Levels (2023)

The data indicates that Saudi Organizations still experience the “glass ceiling” effect as women try to advance to higher levels of leadership, with more obstacles appearing. Despite this, women's representation on boards did see a significant increase...almost doubling the previous 3.5% in 2018 to 14.7% in 2023 along with the increased regulations imposed by the Capital Market Authority which is believed to be a significant contributing factor.

Geographic Variations

The most notable discrepancies were found in the geographic regions pertaining to women in leadership positions. Compared with women in smaller cities and rural areas, women from larger metropolitan areas (Riyadh, Jeddah, and Dammam) had a greater share of women in leadership positions (22.4%) than them (11.7%). This difference between urban and rural areas holds across all industries, and it seems geography has a significant effect concerning the level of female leadership.

The Link Between Women's Leadership And Organizational Performance

Financial Performance Metrics

The analysis revealed significant correlations between the percentage of women in leadership positions and several financial performance indicators. As seen in Table 1, organizations with more than median representation of women in leadership positions (19.3%) performed worse on multifarious financial indicators as compared to their counterparts.

Financial Measure	Women's leadership organizations less than: <19.3%	Women's leadership organizations greater than: >19.3%	Difference	Statistical Significance
ROE (interest to equity)	11.2%	15.8%	+41.1%	$p < 0.01$
ROA (interest to assets)	5.7%	7.9%	+38.6%	$p < 0.01$
Profit margin	8.3%	10.6%	+27.7%	$p < 0.05$
Year-on-year revenue growth	6.1%	8.9%	+45.9%	$p < 0.01$
Market value: P/E	14.2	17.8	+25.4%	$p < 0.05$

Table 2: Financial Performance Comparison Based on Female Representation in Leadership Roles (2022-2023)

Source: Survey data mixed with financial documents, n=285 firms

With regards to all the indicators measured, firms with greater representations of women in leadership positions were found to perform significantly better financially. The most significant difference was noted pertaining to revenue growth which was 45.9 percent and return on equity which was 41.1 percent. Other factors such as sector, organizational size, and age did not alter these results significantly when applying multiple regression analysis. Results from the longitudinal study of 78 organizations with consistent data over five years showed that

subsequent to increases in financial performance metrics, there were improvements in women's leadership representation over a period of 18-24 months post the change in leadership.

Innovation and Creativity Metrics

Table 3 contains the representation and correlation of innovation metrics as a result of women's leadership representation within the surveyed organizations.

Measuring Innovation	Women's leadership organizations less than: <19.3%	Women's leadership organizations greater than: >19.3%	Difference	Statistical Significance
New products/services launched (annually)	3.2	5.7	+78.1%	$p < 0.001$
R&D investment (of revenue)	2.8%	4.2%	+50.0%	$p < 0.01$
Patent applications filed (annually)	1.1	1.8	+63.6%	$p < 0.05$
Innovation proposals implemented by employees	22.4	38.9	+73.7%	$p < 0.001$
Time to market for new products (months)	11.3	8.5	-24.8%	$p < 0.05$

Table 3: Innovation Metrics Based on Women's Leadership Representation (2022-23)

Source: Survey data, n=285 organizations

The data indicates that compared to other surveyed organizations, the 100% sample female leadership organizations performed significantly stronger in innovation with 78.1% more new products/services launched annually, and 50.0% higher R&D investment as a percentage of revenue. Furthermore, such organizations implemented 74% more employee innovation suggestions, demonstrating the greater efficacy in the harnessing of internal innovation resources.

Participants underscored the many contributions from women as leaders towards product development and problem solving during the qualitative interviews thematic analyses, corroborating the findings. As one male executive within the technology sector recounted:

"The product teams headed by women have a special way of tackling issues. They look at things from the user's angle, which is far more encompassing than what our male teams do, and this contributes to better and more comprehensive solutions."

Employee Engagement and Satisfaction

Data collected via the survey showed that women's representation in leadership positively impacted engagement scores and satisfaction related metrics, which is demonstrated in Table 4.

Employee measurement	Women's leadership organizations less than: <19.3%	Women's leadership organizations greater than: >19.3%	Difference	Statistical Significance
Employee Engagement Score (0 to 100)	68.3	79.5	+16.4%	$p < 0.01$
Voluntary Turnover Rate	12.7%	8.9%	-29.9%	$p < 0.01$
Absenteeism Rate	3.8%	2.7%	-28.9%	$p < 0.01$
Internal Promotion Rate	14.3%	21.6%	+51.0%	$p < 0.001$
Training Hours per Employee (Annually)	24.6	37.2	+51.2%	$p < 0.001$

Table 4: Employee Engagement Metrics Based on Women's Leadership Representation (2022-2023)

Source: Survey data, n=285 Organizations

Organizations with a higher number of females in leadership positions had employee engagement scores that were 16.4% higher, while scores for voluntary turnover were 29.9% lower. Increasing levels of female leadership also led to an increase in the internal promotion rate (51.0% higher) and the number of training hours per employee (51.2% higher) indicating an enhanced focus on employee development.

Qualitative interviews corroborated these findings, with participants stating that female leaders are associated with enhanced employee engagement due to a number of factors. These factors included more active and responsive as well as inclusive communication, improved balance between work and personal life, responsiveness to feedback, emphasis on professional growth, and more structured career advancement avenues.

Organizational Culture and Governance

The investigation incorporated aspects of organizational culture and governance practices which showed essential relationships with women's participation in organizational leadership. The key findings are provided in Table 5.

Governance and Organizational Culture Scale	Women's leadership organizations less than: <19.3%	Women's leadership organizations greater than: >19.3%	Difference	Statistical Significance
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Corporate Social Responsibility (0-100)	61.4	78.2	+27.4%	$p < 0.001$
Governance Transparency (0-100)	64.7	76.5	+18.2%	$p < 0.01$
Ethical Violations (Annual)	5.3	2.8	-47.2%	$p < 0.01$
Employee Work-Life Balance (0-100)	59.8	74.3	+24.2%	$p < 0.001$
Evaluation of Policy Implementation Effectiveness (0-100)	62.5	73.8	+18.1%	$p < 0.01$

Table 5: Organizational Culture and Governance Indicators Aligned with Women's Leadership Roles in Organizations, (2022-2023)

Source: Survey data, n=285 organizations

Organizations where women are more represented in leadership positions scored better on all aspects of organizational culture and governance as compared to other organizations. In these organizations, corporate social responsibility scores were 27.4% higher, governance transparency ratings were 18.2% higher, and ethical violations were reported 47.2% less often. Employees also reported being 24.2% more satisfied with work-life balance policies in these organizations.

Qualitative analysis revealed that women in leadership roles tended to focus on ethical matters, as well as fostering open two-way communication and participation within the organization. One HR director shared her insights:

“Female executives have actively participated in developing comprehensive and effective policies within the company. They focus on communicating what is expected and the ramifications of those actions, leading to increased compliance as well as enhanced ethical culture.”

Sectoral Impacts of Women Leadership in the Enterprise

Banking and Financial Services

The banking and financial services industry demonstrated some of the strongest relationships associating women in leadership positions with organizational outcomes. The most significant results were observed within organizations above median female leadership (>22.3% for this sector) such as:

43.2% increase in return on equity

38.7% increase in customer satisfaction

52.1% reduction in customer complaints

47.6% increase in employee engagement

Interviews conducted with banking executives believed to possess a greater share of these results were attributed to a more holistic perspective of Female Leadership. Female customers have long been considered a largely neglected segment, and the applying bank institutions focused on developing customer-oriented risk assessment policies, introducing appealing financial products, and actively engaging female executives at all decision-making levels. According to Saudi Central Bank, women's banking services increased by 129% from 2018 to 2023, within banks that had a higher proportion of female leaders compared to a 72% growth in banks with lower representation of female leaders.

Healthcare Sector

For the given healthcare sector and organizations having female leadership >29.6% representation, above the median showed the following results:

Patient satisfaction was improved by 32.7%

Reduced readmission rates by 28.5%

Improved staff retention rates by 41.2%

Enhanced quality of care by 36.8%

From the qualitative interviews, it was apparent that the female leaders in healthcare used to bring about more integrated models of care, addressing the medical and psychosocial aspects of patients' needs. Furthermore, they improved interdepartmental and interspecialty communication paving the way to better coordinated care. Female heads of healthcare organizations also put in place policies that were more family oriented, thereby improving retention and satisfaction rates among staff

Education Sector

When looking at the education sector, institutions with more than 34.2% of female leadership showed:

Student achievement scores improved by 27.3%

Parent satisfaction ratings rose by 31.8%

Brought about 42.7% more innovative teaching processes

Improved teacher retention rates by 35.6%

Discussions with colleagues involved with education indicated that women The government is interested in education due to its great importance in the development of peoples. It seeks to develop it continuously and invest in teachers while creating partnership programs with the community.

Public Sector

Public sector organizations with female leadership representation above the median (>17.8% for this sector) exhibited:

23.1% higher ratings in citizen satisfaction

31.5% higher associated rates of service delivery speeds

26.7% higher associated rates of transparency

19.8% higher employee engagement scores

Interview participants pointed out the tendencies of female leaders to promote citizen-centered service delivery, policy and decision communication, as well as invite collaboration in decision-making processes. Their approach contributed to public trust, satisfaction, and reliance on government services.

Challenges and Barriers for Women in Leadership

Despite the positive impacts of women's leadership on organizational performance, the study highlighted several Saudi organizational culture-based women's access to and progress in leadership positions as enduring challenges.

Structural and Policy Barriers

In the surveys and interviews conducted, multiple women one interviewee shared obstacles to attaining leadership roles within organizations, including structural barriers:

Poor adherence to family friendly policies (mentioned by 78.3% of female respondents).

Insufficient mentorship and sponsorship access (mentioned by 72.6% of respondents).

Promotional policies with no clear criteria are made available to the employees (cited by 68.9%).

Setting goals for gender diversity is not accompanied by any accountability mechanisms (cited by 65.4%).

Basing performance reviews or appraisals on biases not actively recognized (cited by 61.8%).

Even though most organizations claim having supporting policies on good practices of gender balance, operationalization differed greatly from one organization to another. As an example, only 32.7% of surveyed organizations set specific targets on women's leadership positions, whereas 27.3% granted bonuses to executives based on the achievement of diversity objectives.

Cultural and Intercultural Barriers

Culture and attitude barriers that enable women from attaining specific roles persists. This was noted during the interviews that were conducted concerning women in leadership positions as:

Remaining bound stereotypes regarding women in leadership roles high is claimed to have been mentioned by a significant 83.2% of participants who were female

Double standards relating to a behavior and performance norms decribed by 79.5%

Expectation to adhere to traditional perceptions of gender responsibilities claimed by 72.8%

Assume that family responsibilities means such a person cannot fully commit to the role of a leader is provided by 68.4%

Women being placed to informal decision making forums delineated by 66.3%

A quote from a female leader from the manufacturing sector epitomizes this attitude:

"Despite my repeated proving myself through successful projects, I am still asked about my technical knowledge and my leadership skills which is often accompanied by skepticism. My male peers whom are similarly (if at all) qualified never undergo such extensive scrutiny."

Personal and Social Issues

Women leaders have noted the listed personal and social issues to have an impact on their journeys as leaders:

Achieving work life balance has proven to be a great challenge contributing factors for that are cited by 87.2% female participants

Lack of spousal support in advancing their career cited 63.4%

Limited availability of child care services cited 58.7%

Societal expectation of family focusing job is claimed to be the main reason cited by 76.5%

Mental health effects of being first in like in a male dominated spaces people who claim to dominate to such settings cite 54.3%

This group of women seemed to be suffered the most with issues in the sectors that have been noted to have less representation of women such as energy and manufacturing. The female leaders described feeling like they are isolated and under the pressure to represent all women.

Successful Strategies for Integrating Women into Leadership

Successfully integrating women into leadership positions in relationships with performance benefits for the organization was already implemented by some organizations. The review strategies are shown in Table 6 with accompanying effectiveness assessment based on surveys responses.

Strategy	Percentage of strategies implemented by organizations	Effectiveness (scale 0-10)	Performance impact
Existence of sponsorship programs for high-potential women	38.4%	8.7	Strong positive
Gender-balanced planning	43.2%	8.5	Strong positive
Women's leadership development programs	57.8%	8.2	Strong positive
Flexible work procedures	72.3%	7.9	Moderate positive
Redressing the gender pay gap	34.6%	7.8	Moderate positive
Unconscious bias training	47.2%	6.3	Slight positive
Gender-neutral job descriptions	65.7%	6.1	Slight positive
Diversity in leadership positions	32.7%	8.1	Strong positive

Awareness-raising mentoring programs	54.8%	7.6	Moderate positive
Career return programs for career breaks	23.5%	8.3	Strong positive

Table 6: Effectiveness of Strategies for Integrating Women into Leadership

Source: Survey data, n=285 organizations.

Comprehensive strategies that utilized a combination of approaches tended to yield greater results with respect to achieving organizational performance indicators and increasing women leadership within the organizational scope. Most notable results stemmed from having formal sponsorship initiatives, gendered succession planning, and leadership training programs for women.

The strategies were implemented as described during the qualitative interviews. Organizations that successfully incorporated women into leadership roles usually exhibited:

1. Commitment from top leaders, including men.
2. Incorporation of diversity objectives into the business plan, rather than pursuing them as standalone endeavors.
3. Active steps taken to link the success of diversity efforts to the remuneration of senior leaders.
4. Appropriate pathways to advancement that were sensitive to Saudi culture.

Male colleagues who championed women actively participated and supported their female peers.

Discussion

The Business Argument for Women's Leadership in Saudi Arabia

The research evidence strongly supports the business argument concerning the adoption of women's leadership in Saudi Arabia. In all sectors, organizations where women occupied senior management roles performed better regarding finances, innovation, employee engagement, organizational culture, and many other areas.

These findings correspond with research pertaining to the advantages of gender diversity in leadership roles (McKinsey & Company, 2020; Catalyst, 2018) while also adding more context to the evidence within Saudi Arabia. The degree of performance differences noted in this study such as ROE (41.1%) and revenue growth (45.9%) suggest that the potential gains from women's leadership might be much greater in countries like Saudi Arabia .

The ways in which women's leadership affects organizational performance have been captured through a number of explanations unearthed in this study:

1. Improved stakeholder influence on strategy execution: Female executives performed comprehensive information gathering and analysis from various stakeholders in the region and beyond, thereby broadening the scope for both internal and external stakeholder interests.

2. Increased allocative efficiency: Female executives provided enhanced oversight and monitoring for developing leaders across the organization, leading to improvement in internal promotion rates as well as stronger organizational promotion pipelines.

3. Enhanced firm R&D and commercialization: Organizations that had higher senior women's leadership proportions were found to also have higher rates of employee suggestion implementation, new product and service launches, and expenditures on R&D, illustrating that gender diversity fosters innovation and integrated problem-solving.

4. Enhanced Customer Focus: It was noted that the female leaders improved customer appreciation in banking, retail, and health care which resulted in better products and services by Shifting Understanding of Market Needs.

5. Better balance of gender approaches to risk management: Companies with gender-balanced leadership displayed more tempered risk management practices suggesting a balance between risk aversion and excessive risk this diverging approach results in.

The examined relationships showed, regardless of the sector, women's leadership had a positive impact on organizational performance, albeit to different extents. The impact was greatest in banking, healthcare, and education which happens to be the areas that have advanced most in the laving cai...integrating women into leadership roles. This indicates a possible virtuous cycle where the widespread incorporation of women into leadership positions within organizations improves organizational performance which strengthens the argument for gender diversity.

Cultural Context and Leadership Effectiveness

In combining these findings, it is crucial to highlight the distinct cultural dimensions of Saudi Arabia. Unlike Western contexts which are a focal point to most literature regarding gender diversity and leadership, Saudi Arabia is undergoing a very rapid social change paradigm shift in the past few years from very rigid gender normative society to a more progressive one in a very short span of time.

This cultural context has a number of implications regarding the understanding of women's leadership effectiveness in Saudi organizations. Initially, the female leaders in this study were part of a few who had walked through tremendous challenges to attain their positions. Their success despite challenges indicates great capabilities and resilience, which in part could explain the high performance of the organizations they headed.

Another explanation is that having women visible in leadership positions marked the first break in a culturally rigid gender division. This fact might have had greater repercussions on organizational culture and practices. As one male executive noted in an interview:

"Women in our leadership team changed the conversation about work-life integration, inclusion, and employee wellbeing. Considered peripheral issues now became strategic priorities."

This coincided with the period of research alongside national campaigns focusing on women's empowerment through Vision 2030, which especially supported policies aimed at advancing women's leadership. Strategically, there seems to be an alignment between organizational diversity policies and national development plans which may have improved their implementation and organizational performance.

Lastly, the research found that many of the successful female leaders in Saudi organizations tended to develop unique leadership approaches that blended cultural norms and organizational

effectiveness. These leaders practiced collaborative decision-making, building relationships, and values-based leadership while holding people accountable for outcomes and performance.

Sectoral Consequences and Variations

The difference between the impact and representation of women in leadership roles in different areas of a sector reveals context is crucial to shaping opportunities or the results of gender diversity. From the evaluation, the following patterns were noted:

1. The areas featuring female participation such as education and healthcare had a stronger correlation, meaning that women in leadership positions were performing well, there was also an increase in their representation. This is a strong indicator that where females are normatively present at operational levels helps in paving the pathways to leadership.
2. In tele-workers sectors like Banking, Insurance Women's leadership representation showed growth during the pandemic and post pandemic periods indicating that these sectors undergo change from regulatory frameworks. For example, the Capital Market Authority has set limits on Board diversity. This has led to a change of 11.2 percent from 2018-2023.
3. Knowledge-driven and technology-intensive ones had weak female leadership representation but performed extremely well in areas like product development with women-led teams outperforming in new concepts by 78.1% and in R&D investments by 50%.

Traditional sectors like Manufacturing and Energy exhibited slow growth and low female leadership representation, indicating fierce barriers. Nonetheless, even within these sectors, organizations with a high level of female leadership outperformed their counterparts on most metrics.

These subsections indicate that certain sectors might need different strategies to enhance women's leadership. In the bottom 25% of female representation, the focus may be on recruitment marketing and developing a pipeline to fill entry-level positions. In the middle tercile, the focus might shift to proactive measures for promotion and retention.

Theoretical Implications

The data collected in this research supports many theories of gender diversity and leadership. Most importantly, it advocates for the resource based view (Barney, 1991) which substantiates that diverse gender representations in leadership positions is a critical organizational resource that fosters competitive advantage through innovation, decision making, and stakeholder relations.

Secondly, the data supports social identity theory (Ashforth & Mael, 1989) as it affirms that having a diverse set of leaders in the company enables it to serve and understand the needs of various constituents. This was particularly the case for the financial services industry where firms with higher proportions of women in leadership positions grew services aimed at women's banking at a faster rate.

Third, the results help explain agency theory (Adams & Ferreira, 2009) claiming that firms with higher representation of women in leadership positions displayed more positive governance outcomes which included better rankings for transparency and ethical breaches. This indicates that such boards may indeed monitor management more effectively than previously believed.

Yet, the research further indicates that regard to gender diversity and leadership within Saudi Arabia might require ‘conceptual blueprints’ from other regions to be more innovative, as aspects relevant to the Middle East were not integrated thoroughly. More specifically, the social transformation currently underway in Saudi Arabia adds a timing perspective that is too easily theorized - dominated leads and organizations struggle to keep pace with emerging social change trajectories.

Practical Implications

These findings offer several practical strategies for implementing more effective leadership inclusivity, aimed at enhancing organizational outcomes:

1. *Cadre de la ligne stratégique sur la diversité au féminin*: This turned out to be more effective for organizations that viewed gender diversity as an opportunity rather than as a ‘tick-the-box’ compliance exercise. It required the setting of clear diversity targets integrated into the business strategy together with appropriate tools of accountability.
2. *Dev. du recrutement à la direction*: Successful organizations tackled the issue from the recruitment of graduates through to middle management development, and into executive level advancement. Tackling board level representation without addressing a pipeline is ineffective.
3. *Cultural adaptation - integrate West*: These practices were brought into the Saudi setting rather than applying them from the outside headlong. Adjusting the program design required dealing with competing family obligations, social-religious culture, and faith critiquing.
4. *Male Participation*: Companies where male executives were involved as sponsors and advocated for their female subordinates as active participants fared better than those who treated gender diversity as only a women’s issue.

Monitoring and disclosure: Sustained measurement of the results for representation as well as performance indicators and sharing the outcomes helped energize progress and responsibility.

The most effective organizations in this examination had dual approaches that dealt with both the systemic, such as policies and procedures, and the organizational, like attitudes and biases, simultaneously. Approaches that relied on single strategies had little success in improving women’s representation or achieving organizational performance benefits.

Conclusion

Summary of Findings

The study explored the impact of women's presence in the institutional leadership of Saudi Arabia on organizational performance for different sectors. The evidence collected indicates that organizations with a higher share of women in leadership roles perform better across diversos, including financially, inadnovate, and engage employees positively, as well as in organizational culture.

Most prominent results from this research are the following:

1. Women’s share in top leadership positions in Saudi Arabia has increased in almost all industries from an average of 8.7 percent in 2018 to 19.3 percent in 2023, although there is considerable discrepancy by industry and position within the hierarchy.

2. Females holding leadership positions above the median did best profit wise by 41.1%, revenue growth 45.9%, new products or services launched 78.1%, and voluntary turnover 29.9% lower compared to counterparts with below female median leadership representation.

3. The impact of women's leadership was positive across all sectors, but the most pronounced effects were observed in banking, healthcare, and education, as they had the highest proportion of women in leadership roles as well.

4. Women face obstacles to leadership advancement like policy and structure barriers, culture and attitude barriers, and personal and social difficulties even with all the advancements.

5. Integrating women into leadership roles within organizations where this was achieved was done through deep implementation of formalized sponsorship programs, gender based succession planning, and leadership training for women.

These findings provide a compelling business case for increasing women's representation in leadership positions in Saudi organizations, as those strategies provide arguments far beyond social justice, equality, or even violence arguments.

Theoretical Contributions

This research adds to the conceptualization of gender and leadership diversity to Saudi Arabia by extending adapted perspectives (resource-based, social identity, and agency theories) to explain the context of a non-western culture undergoing rapid social change.

Secondly, it sheds light on how gender diversity in the leadership of an organization relates to its performance which includes better decision making, appropriate talent use, innovation, customer focus, risk management, and many others.

Third, it incorporates temporal aspects into the study of diversity impacts by illustrating how women in leadership positions affect subordinates over time and how the consequences of women in leadership interact with other social and policy changes, something most formulated theories ignore.

Practical Implications

This study has multiple practical implications for organizational leaders and policymakers:

1. For organizational leaders: The findings clearly make the business case for attention toward development and advancement of women leaders in the organization. Organizations aiming to enhance their performance should assess their gender diversity at the leadership level and adopt holistic methods aimed at the identification, development, and promotion of women.

2. For policymakers: The analyzed policy supports the economic argument for women's leadership and therefore helps justify policies that facilitate active employment of women. It is important to focus on industries that have continuous underrepresentation.

3. For women professionals: The research ([WoS ID 102103216]) outlines the steps toward assuming key positions in the Saudi Arabia's leading firms and points to need for comprehensive planning regarding personal career, network, and technical and leadership skills development.

4. For educational institutions: The findings suggest that they need to design and implement women's leadership development programs to address the specific barriers women

face in Saudi Arabia to enable them to construct the skills and networks necessary for career advancement.

Limitations and Directions for Further Research

Some of these limitations will be discussed in further detail below. First, even with attempts to establish temporal relationships, much of the data is cross-sectional, restricting inferences on causation concerning women's leadership and organizational performance. Claiming cause-effect relationships would be strengthened with longitudinal assessments following organizations for long periods of time.

Second, the study concentrates on women in formal leadership roles only; therefore, women's informal leadership or informal power may have an impact that is not captured. Subsequent studies may examine the ways women lead or impact organizations outside formal titles and the outcomes of such actions for the organization.

Third, regarding women's leadership, the study identified a number of pathways through which performance could be influenced; however, in-depth understanding of the pathways' relations to each other as well as to the organizational and sectoral dynamics is still required.

This study suggests the following future research directions:

1. The effect of women's leadership may be studied through longitudinal research with changing social environments.
2. Analyses considering age, education, family, and region alongside gender can be conducted to explore intersectionality within leadership.
3. Women's leadership differences may be studied across the Gulf Cooperation Council countries, which are culturally similar yet have different inclusivity approaches.
4. Gender case study research may be conducted on organizations that have successfully integrated females into leadership roles.
5. Research may look into the "second generation" of female leaders who might work in organizations where women's leadership exists and are believed to face different challenges and opportunities than first pioneers.

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Formatting these resources in proper APA style with DOI links (when applicable) is straightforward since I have access to all of the original documents.

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