Influence of Toxic Leadership Behaviour on Employee Performance in Higher Educational Institutions in Saudi Arabia

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ABSTRACT

Toxic leadership in education presents a grave problem that profoundly impacts employee performance. Teachers and staff subjected to toxic leadership often experience stress, burnout, and reduced job satisfaction. The present study investigates the multifaceted impact of toxic leadership on employee engagement, loyalty, satisfaction, and performance in higher educational settings in Saudi Arabia. A cross-sectional approach was applied to collect data from 405 academic and non-academic employees working in higher educational institutions in Jeddah, Saudi Arabia. The Structural Equation Modelling (SEM) technique via SmartPLS software was applied to test the direct and indirect hypothetical relationship between the key constructs. We found toxic leadership directly influences employee engagement, loyalty, satisfaction, and performance. Thus, employee loyalty and satisfaction directly influence employee performance, surprisingly, we found that employee engagement insignificantly impacts employee performance. Further, the present study explored the mediating role of employee loyalty and satisfaction between toxic leadership and employee performance, where employee engagement does not mediate the relationship between toxic leadership and employee performance. By shedding light on the complex relationship between toxic leadership and employee performance in educational institutions, this study offers insights for educational administration, policymakers, and the Ministry of Education to recognize the importance of fostering positive leadership practices within educational institutions.

Leadership shapes any organization's cultural inspiration, fostering a positive work environment and driving productivity (Ahmed & Shafiq, 2014). Effective leadership is crucial in educational institutions to foster a positive environment by promoting learning growth and
implementing modern education systems and collaborations (Bush, 2008). For instance, not all leadership styles contribute positively to these outcomes. For instance, toxic leadership, characterized by abusive, manipulative (Mehta & Maheshwari, 2013), and destructive behaviour (Lipman-Blumen, 2010), has become a significant negative consequence of the success of educational institutions. Initially, the term “toxic leaders” in an organization was outlined by Dr. Marcia Lynn Whicker in 1996, who analyzed three different types of leaders in organizations: (i) “toxic” (red light), (ii) “transitional” (yellow light), and (iii) “trustworthy” (green light) (Zaman et al., 2023). In contrast, the concept of toxic leadership in the educational system was defined by prior studies. For example, Lipman-Blumen (2010) defined toxic leaders as those who act without integrity by misleading and engaging followers in other discreditable behaviours, such as sabotage, manipulation, hypocrisy, corruption, and assorted unethical acts. Moreover, Bhandarker and Rai (2019) defined it as “toxic leadership behaviours which include divisiveness, laissez-faire, promoting inequity, social exclusion and threatening followers’ security and self-esteem” (p.2).

However, a large body of scholarly work highlights the dark side of organisational leadership practices, such as negative leadership (Zaman et al., 2023), abusive leadership, and destructive leadership (Bhandarker & Rai, 2019). Empirically, limited research has been conducted regarding the origins and perpetuation of toxic leadership and its implications for employee performance in educational institutions.

Practically, exploring toxic leadership practices within the Gulf Cooperation Council (GCC) context, mainly in Saudi Arabian higher education institutions, has received limited attention from scholars, including its potential occurrence and ramifications (Abdallah & Mostafa, 2021). Consequently, the present study aims to investigate how toxic leadership influences employee satisfaction, engagement, loyalty, and performance in Saudi Arabian higher educational institutions, relying on the social exchange and conservation of resources theories. Theoretically, Saleem et al. (2021) applied the conservation of resources theory to find determinants of toxic leadership and its impact on employee performance. On the other hand, Ahmed et al. (2020) applied and confirmed that the social exchange theory is the dominant theory that predicts employee performance in an organization. This research addresses the specific challenges within academia and provides valuable knowledge for enhancing leadership practices and organizational dynamics across various industries. Thus, in the next section, we discussed the development of the conceptual framework for the present study.

**Development of Conceptual Framework**

In our current study, we have formulated a conceptual framework (Figure 1) encompassing five dimensions of toxic leadership: narcissism, self-promotion, authoritarian leadership, unpredictability, and abusive supervision. Subsequently, we elaborate on each dimension of toxic leadership below.

Narcissism: Narcissistic leadership is characterized by excessive self-importance, preoccupation with one's needs and desires, and a lack of empathy for others (Rosenthal & Pittinsky, 2006). Leaders with narcissistic tendencies often prioritize personal recognition, seek admiration, and exploit others to fulfil their own goals (van der Meer & Kjellson, 2012).

Self-promotion: Self-promotion leadership is characterized by an excessive focus on promoting one's achievements, skills, and successes, often at the expense of acknowledging or
recognizing the contributions of others within the team or organization. Brouwers and Paltu, (2020) have shown that self-promotion leadership diminishes employee satisfaction, engagement, and loyalty by prioritizing individual recognition over collective contributions, creating an environment that fosters feelings of undervaluation and hinders overall employee performance.

Authoritarian leadership: Authoritarian leadership is characterized by a leader who exercises a high degree of control and authority over decision-making, with minimal input from subordinates and expects strict compliance with directives and rules from the team or organization (Pizzolitto et al., 2023).

Unpredictability: Unpredictability leadership refers to a leadership style characterized by inconsistent decision-making, frequent changes in direction, or an erratic communication approach, creating an uncertain and unstable work environment for employees. Empirical studies discussed that the unpredictability of leadership detrimentally impacts employee satisfaction, engagement, and loyalty by fostering uncertainty, creating stress, and diminishing trust within the workplace, leading to a decrease in overall employee performance (Marshoudi et al., 2023).

Abusive supervision: Martinko et al. (2013) defined abusive supervision leadership as a managerial style characterized by using harmful and hostile behaviours, such as verbal abuse, humiliation, unfair treatment, or intimidation, directed towards subordinates, resulting in a toxic work environment. Abusive supervision leadership significantly diminishes employee satisfaction, engagement, and loyalty by fostering a hostile work environment, eroding trust, and instigating emotional distress among employees, ultimately compromising overall well-being and performance (Schyns et al., 2018). The inclusion of these dimensions is supported by empirical evidence. Referring to Ahmed et al. (2020) provides credibility to conceptualization, as it indicates that these dimensions have been recognized and studied in the existing literature.

Satisfaction defines the subjective level of contentment and fulfilment of an employee’s experiences in their work, significantly impacting performance by influencing motivation and overall job-related well-being (Nemteanu & Dabija, 2021). Engagement in the workplace refers to the level of commitment, involvement, and enthusiasm employees bring to their jobs, positively influencing overall performance by fostering increased productivity, creativity, and a sense of purpose (Arifin et al., 2019; Braganza et al., 2021). Loyalty in the workplace refers to an employee’s allegiance and dedication to the organization, which is pivotal in enhancing performance by fostering a sense of continuity and sustained effort towards achieving organizational goals (Fan et al., 2021; Kumar et al., 2010). Employee performance refers to the effectiveness, productivity, and achievement of goals in job responsibilities (Jamal et al., 2021) demonstrated in fulfilling job responsibilities within an organization, encompassing aspects of work output and contribution.

Theoretically, we integrated and applied conservation of resources and social exchange theory to investigate the association between toxic leadership, employees’ satisfaction, engagement, loyalty, and performance in higher educational institutions. Integrating the conservation of resources and social exchange theory offers a comprehensive framework to comprehend how toxic leadership disrupts social exchanges and depletes crucial resources, reducing employee satisfaction, engagement, loyalty, and performance.
Several past studies have evident that the conservation of resources theory underscores individuals’ endeavours to acquire and safeguard various resources, encompassing psychological, social, and organizational aspects (Tafvelin et al., 2023). In the context of toxic leadership, the conservation of resources theory posits that detrimental behaviours deplete these resources, leading to heightened stress, emotional exhaustion, and a decline in trust, consequently diminishing employee satisfaction, engagement, and loyalty, which ultimately leads to the lower level of performance (Saleem et al., 2021; Schyns & Schilling, 2013).

In conclusion, in the present study, we studied the impact of toxic leadership using its key dimensions on employee satisfaction, engagement, loyalty, and performance. Studying toxic leadership in educational institutions contributes crucial insights into leadership practices within the organisational context. By uncovering systemic issues hindering academic progress, the research offers a foundation for targeted interventions, fostering a supportive leadership culture.

Figure 1

*Conceptual Framework*

**Underpinning Theories and Hypotheses Development**

To obtain the aim of the present study, we integrated and applied the conservation of resources theory and social exchange theory. First, the conservation of resources theory supports predicting the behaviour of leaders based on their organizational rank and its impact on their subordinates (Byrne et al., 2014; Li et al., 2016). According to Hobfoll (1989), this theory supports exploring the leaders’ aim to retain and obtain the organizational resources from the perspective of psychological (i.e., recognition and social relationships) and material (i.e., security and financial). However, Saleem et al. (2021), the conservation of resource theory is highly appropriate for investigating the key determinants of toxic leadership in organizational research. Drawing on conservation of resource theory, Tafvelin et al. (2023) suggested that “destructive leadership is a consequence of failed self-regulation, which could occur when leaders fail to regulate their affective experiences and subsequent behaviour effectively; and that resource depletion is the guiding mechanism in this process (p.167).”

Second, initially, the social exchange theory was developed by Homans (1961), and later, Blau (1964) and Emerson (1972) extended this theory in different contexts. For example, in
Peter Blau extended Homans’s theory of social exchange, and he identified that the overall social exchange theory leads to an individual’s behavioural perception towards another individual and/or organization. Homans (1961) discussed that social exchange theory highlights the exchange of intangible and/or tangible activities and rewarding systems between two parties.

However, from the social exchange theory perspective, employees psychologically believe that showing positive work engagement may support getting high rewards from the organization (Saleem et al., 2023). The association between organizational leadership and employees’ performance depends on an equal social exchange relationship (Fan et al., 2021). Therefore, we applied and integrated conservation of resources and social exchange theories to investigate and conclude the link between toxic leadership, employee engagement, satisfaction, loyalty, and performance in Saudi Arabian higher educational institutions.

Hypotheses Development

Toxic Leadership and Employee Performance

The toxic leaders of an organization act with negative behaviour and divisiveness, threatening the employees' self-esteem and social exclusion and promoting inequity (Bhandarker & Rai, 2019). Prior studies have extensively explored toxic leadership's impact on employee performance (Saleem et al., 2021). For example, Bush (2008) pointed out that toxic leaders exhibit manipulation, bullying, favouritism, micromanagement, and lack of transparency detrimental to their subordinates and the overall work environment. Another empirical study by Tepper (2000) investigated the impact of abusive supervision on job performance and found that employees who experienced abusive behaviour from their leaders exhibited lower levels of job performance. Samreen et al. (2022) recently examined the impact of abusive supervision on subordinates' task performance and organizational citizenship behaviours.

There is a notable dearth of studies specifically exploring how toxic leadership manifests and influences employee performance in the unique setting of higher educational institutions. A critical gap lies in understanding how toxic leadership hampers collaborative research, stifles intellectual freedom, and impedes the nurturing of future scholars. As the academic landscape evolves, addressing these gaps becomes imperative for sustaining the vitality of higher education. Thus, we pose the following hypothesis.

H1: Toxic leadership directly influences employee performance.

Toxic Leadership and Employee Engagement

Work engagement refers to employees' emotional commitment, involvement, and enthusiasm towards work (Klahn Acuña & Male, 2022). However, “engagement” refers to important components of a psychological presence called absorption and attention (Kim & Koo, 2017). Additionally, Norouzinik et al. (2022) discussed that employees who do not get work support from supervisors are likely to engage and perform potential job responsibilities poorly. Previously, Yuan et al. (2021) outlined that employees may become demotivated, lose their enthusiasm for work, and experience reduced job engagement when they feel unsupported and undervalued in a work environment. However, numerous studies have explored the impact of toxic leadership on employee engagement. For example, Brouwers and Paltu (2020) conducted
an empirical study in South Africa and concluded that toxic leadership significantly affects employee job engagement and organisational commitment. However, Akca (2017) mentioned that the toxic leadership style exists in almost every organization; they likely interact with the employees with negative behaviour, leading to demotivation. Additionally, Klahn Acuña & Male (2022) investigated and concluded that specific toxic leadership characteristics such as micromanagement, lack of support, bullying, favouritism, and lack of communication are present among academic leaders in Chilean higher education institutions, which impact academics' work engagement the employees. Furthermore, a comprehensive exploration of these aspects is crucial for developing targeted strategies to foster positive leadership and enhance employee engagement in the unique setting of higher education. Thus, the following hypothesis was proposed.

**H2:** Toxic leadership directly influences employee engagement.

**Toxic Leadership on Employee Satisfaction**

According to Brouwers and Paltu (2020), “Employee satisfaction has to do with an individual’s perceptions and evaluation of their job, and this perception is influenced by the person’s unique circumstances, such as needs, values, and expectations” (p. 3). Job satisfaction is mainly based on positive beliefs, behaviour, attitude, sense, thought, and intention (Weiss, 2002); these indicators predicate employee engagement and performance. Previously, scholarly work has extensively examined the impact of toxic leadership on employee satisfaction. For example, Eisenbeiss et al. (2008) investigated and concluded that abusive supervision has a negative impact on employee satisfaction. Accordingly, Barling et al. (2003) found that abusive supervision negatively influences employee satisfaction and maximises the organisation's turnover ratio. Lin et al. (2022) investigated and discussed the link between abusive supervision, employee satisfaction, and creativity, and they confirmed that abusive supervision was negatively related to both employee satisfaction and creativity. Critical research gaps emerge from the existing literature on toxic leadership and employee satisfaction in higher educational institutions. However, limited attention has been given to understanding how toxic leadership manifests among academic leaders and its specific consequences for employee satisfaction in this setting. Therefore, we proposed the following hypothesis.

**H3:** Toxic leadership directly influences employee satisfaction.

**Toxic Leadership and Employee Loyalty**

Employee loyalty signifies dedication, commitment, and emotional attachment to the organization (Fan et al., 2021). Loyal employees go beyond their job descriptions by contributing to the organization's growth and stability in the market (Abror et al., 2020). Gouda (2018) pointed out that positive leadership, fair treatment, growth opportunities, and a supportive work environment foster employee loyalty. Padilla et al. (2007) investigated the impact of abusive supervision on employee loyalty and turnover intentions. They found that abusive supervision negatively impacts employee loyalty and increased turnover intentions. Toxic leadership can severely damage employee loyalty (Lin et al., 2022); it erodes trust, causes stress, and diminishes job satisfaction. Existing studies highlight the detrimental effects of toxic leadership practices on employees’ loyalty in different contexts of the organization. Thus,
limited research delves into the unique dynamics of how toxic leadership erodes trust induces stress and diminishes job satisfaction among academic staff. Further investigations are needed to comprehend the consequences of toxic leadership in higher education, enabling the development of targeted strategies to foster a loyal and committed workforce. Therefore, we proposed the following hypothesis.

**H4:** Toxic leadership directly influences employee loyalty.

**Employee Engagement and Performance**

The primary objective of any organization is to motivate and educate the employees to play a dynamic role in achieving the business goals and sustaining competitive advantages (Elrehail et al., 2019). Turkyilmaz et al. (2011) pointed out that most organizations focus first on enhancing employee job engagement by offering modern working space, opportunities, and reward systems, ultimately impacting their overall performance. According to Arifin et al. (2019), employee engagement drives their job performance, impacting organizations’ performance. In a different study, Al-dalahmeh et al. (2018) investigated the influence of job engagement on shaping performance. The results revealed a strong and positive relationship between job engagement and performance. Nevertheless, Karatepe (2013) mentioned that a limited empirical study previously investigated the link between job engagement and performance. Thus, the researcher bridges this empirical and theoretical gap by investigating the direct impact of employee engagement on performance in higher educational institutions. Accordingly, the following hypothesis was developed.

**H5:** Employee engagement directly influences employee performance.

**Employee Satisfaction and Performance**

As the researcher discussed earlier, job satisfaction is the most important construct in predicting employee performance. Job satisfaction was studied widely in several contexts. For example, Eisenbeiss et al. (2008) highlighted that employee satisfaction is based on several key indicators such as promotion, opportunities, and reward systems based on their qualification and experience. Theoretically, Even-Zohar and Garby (2016) advocated that the social exchange theory is the dominant theory that predicates the correlations between employee satisfaction and performance. However, Shaju and Subhashini (2017) developed a framework to investigate employee satisfaction's impact on performance; as a result, they found a significant and positive impact. Besides, a survey was conducted in Indonesia and confirmed the positive impact of employee satisfaction on performance (Arifin et al., 2019). Numerous scholars have examined the relationship between employee satisfaction and performance. The findings consistently have shown a positive and direct relationship between employee satisfaction and performance (Masihabadi et al., 2015). One of the empirical studies compared employee satisfaction in Indonesia and found a positive relationship. At the same time, a different study by Biswakarma and Gnawali (2020) investigated employee satisfaction working in the banking sector of Nepal. They concluded that employees possess high job performance. However, there is still a dearth of research in higher educational institutions. In this regard, the present study attempts to bridge this gap by investigating the impact of employee satisfaction on performance in higher education institutions. Thus, the following hypothesis was proposed:
H6: Employee satisfaction directly influences employee performance.

**Employee Loyalty and Performance**

Employee loyalty is a crucial factor that can profoundly affect an organization's performance and sustain competitive advantages (Fan et al., 2021). It is the degree to which employees feel a strong commitment to their organization and are willing to go above and beyond their job requirements to contribute to its success. Empirically, prior studies investigated and concluded the relationship between employee loyalty and performance. For example, Kumar et al. (2010) found a strong positive relationship between employee loyalty and performance, indicating that satisfied and loyal employees contribute to higher customer satisfaction and loyalty. Abror et al. (2020) pointed out that loyal employees are more likely to work cohesively with their colleagues, improving group dynamics and problem-solving capabilities. This fosters a positive work environment, increasing employee satisfaction and retention (Eisenbeiss et al., 2008). In addition, a study was carried out by Yee et al. (2010), where they confirmed the significant and positive impact of loyalty on the overall performance of employees. Further, they added that organizations that neglect employee loyalty may face significant challenges like high turnover rates, reduced morale, and diminished customer satisfaction. To thrive in today's competitive landscape in the educational sector, limited studies explored the impact of employee loyalty on performance. Thus, we proposed the following hypotheses.

H7: Employee loyalty directly influences employee performance.

**Mediating Role of Employee Engagement, Loyalty, and Satisfaction**

In the present study, mediating variables (i.e., employee engagement, loyalty, and satisfaction) serve as an intermediary that helps in the explanation of the relationship between an independent variable (toxic leadership) and a dependent variable (employee performance), thereby, employee engagement, loyalty, and satisfaction were also tested as independent variables. Testing the role of mediating variables offers insight into the underlying mechanisms or processes that link these variables indirectly. Utilizing a mediating variable enhances the understanding of how and why certain relationships occur.

However, employing mediating variables like employee engagement, loyalty, and satisfaction enriches research by elucidating the intricate dynamics underlying workplace phenomena. Job engagement is a bridge that clarifies how engaged employees might exhibit higher loyalty and satisfaction due to their active involvement with the job tasks. Employee loyalty can mediate the link between employee job engagement and satisfaction, reflecting the enduring commitment fostered by engagement.

Empirically, several studies reported the mediating role of employee engagement, loyalty, and satisfaction between toxic leadership and employee performance. For example, Breevaart et al. (2014) examined the mediating role of employee engagement between abusive supervision and performance. The results indicated that employee engagement partially mediated the relationship between abusive supervision and performance. On the other hand, Wolor et al. (2022) investigated the relationship between toxic leadership, employee satisfaction, and performance. The findings revealed that job satisfaction and engagement partially mediated the relationship between toxic leadership and employee performance.
However, limited studies investigated and concluded the mediating role of employee engagement, satisfaction, and loyalty between toxic leadership and employee performance in higher educational institutions. Thus, we proposed the following hypotheses.

**H8:** Employee engagement mediates the relationship between toxic leadership and employee performance.

**H9:** Employee satisfaction mediates the relationship between toxic leadership and employee performance.

**H10:** Employee loyalty mediates the relationship between toxic leadership and employee performance.

**Method**

**Measurement Scale**

To achieve the objectives of the present study, we developed ten hypotheses proposing direct and indirect associations between toxic leadership, employee engagement, loyalty, satisfaction, and performance in higher educational institutions in Saudi Arabia. Previous studies widely investigated and reported the significance of the above variables when testing how toxic leadership impacts employee overall performance (Wolor et al., 2022). We customized the measurement items for the constructs using established criteria from previous studies, as outlined in Table 2. After finalizing the questionnaire, we engaged in discussions with two academic experts and two industry professionals to ensure the thorough review and validation of the measurement items of toxic leadership, employee engagement, loyalty, satisfaction, and performance. Based on the valuable feedback received during expert validation, certain items of employee job engagement were refined to align with the suggested improvements from the experts. Therefore, the modified items are presented in Table 1.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Original item</th>
<th>Modified /adapted items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee job engagement</td>
<td>Being a member of my institute is very fulfilling</td>
<td>Being a member of my organization is very fulfilling</td>
</tr>
<tr>
<td>(Braganza et al., 2021)</td>
<td>I am able to get involved with activities happening in my institute</td>
<td>I am able to get involved with activities happening in my organization</td>
</tr>
<tr>
<td></td>
<td>Being a member of this institute makes me feel valued</td>
<td>Being a member of this organization makes me feel valued</td>
</tr>
<tr>
<td></td>
<td>I feel I am part of a social community working in my institute</td>
<td>I feel I am part of a social community working in my organization</td>
</tr>
<tr>
<td></td>
<td>I am highly engaged in this institute</td>
<td>I am highly engaged in this organization</td>
</tr>
</tbody>
</table>

Moreover, measurement items of all constructs were rated on a five-point Likert scale (1 = strongly disagree to 5 = strongly agree) (Saleem et al., 2023). Therefore, we divided the present study’s questionnaire into 2 sections (Section A, asking for the demographic and qualifying questions) and (Section B, asking for the measurement items for all the constructs), presented in Table 2. As per the suggestions from the experts, we performed a pilot test on 17 participants to validate the measurement items for the present study, and we found Cronbach’s (α) alphas values as follows: toxic leadership α = .97, employee engagement α = .83, loyalty α = .79, satisfaction α = .81, and performance α = .87 (Saleem et al., 2022). Finally, after preliminary validity, we distributed the questionnaire to the targeted respondents online.
**Sample and Data Collection**

To obtain the aim of the present study, we collected data from academic and non-academic employees working in different private higher educational institutions in Jeddah, Saudi Arabia, from February 2023 to April 2023. There are several motivational factors behind collecting the data from Jeddah. First, the city ranked second in the number of private higher educational institutions and population in Saudi Arabia (Aljoufie, 2021). Second, Imran et al. (2016) highlighted that Jeddah is a top-ranked city for the maximum number of students and is known as a hub of education in the country. Third, most private and public higher educational institutions in Saudi Arabia have campuses there. However, we calculated the sample size using G*Power software version 3.1. As discussed earlier, the conceptual framework of the present study contains four predictors; thus, the effect size of .15 and a power of .95 were calculated, and as a result, 111 total sample sizes were suggested by the software. Hence, the sample size for the current research exceeded the minimal prerequisites. Whereas prior studies on employee performance in educational institutions suggested that the sample size of such studies should be greater than 300, significantly supporting the researcher in predicting the overall employee performance (Supovitz & Turner, 2000). Therefore, we applied a convenience and non-probability sampling technique to collect the data from the targeted population. Thus, all the participants were invited to participate in the present study and recorded anonymously. The analysis used a sample of 405 academic and non-academic participants from private higher educational institutions in Jeddah, Saudi Arabia.

However, as previously mentioned, the questionnaire in the current study is partitioned into two distinct sections. Section “A” presents the demographic and qualifying questions, which we asked respondents, “current job experience,” where 32.0% are 8-11 years and 23.7% 4-7 years of job experience. Therefore, Table 2 presents the participants' overall demographic and qualifying information.

**Table 2**

**Demographic and Qualifying Profile**

<table>
<thead>
<tr>
<th>Demographic items</th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>275</td>
<td>67.9</td>
</tr>
<tr>
<td>Female</td>
<td>130</td>
<td>32.1</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-28</td>
<td>52</td>
<td>12.8</td>
</tr>
<tr>
<td>29-39</td>
<td>110</td>
<td>27.1</td>
</tr>
<tr>
<td>40-50</td>
<td>133</td>
<td>32.8</td>
</tr>
<tr>
<td>50-60</td>
<td>86</td>
<td>21.2</td>
</tr>
<tr>
<td>above 60</td>
<td>24</td>
<td>5.92</td>
</tr>
<tr>
<td><strong>Qualification</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undergraduate</td>
<td>26</td>
<td>6.41</td>
</tr>
<tr>
<td>Graduated</td>
<td>157</td>
<td>38.7</td>
</tr>
<tr>
<td>Diploma</td>
<td>19</td>
<td>4.69</td>
</tr>
<tr>
<td>Ph.D.</td>
<td>203</td>
<td>50.1</td>
</tr>
<tr>
<td><strong>Current job experience</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>less than 3 years</td>
<td>23</td>
<td>5.67</td>
</tr>
<tr>
<td>4-7 years</td>
<td>96</td>
<td>23.7</td>
</tr>
<tr>
<td>8-11 years</td>
<td>128</td>
<td>32.0</td>
</tr>
<tr>
<td>12-15 years</td>
<td>81</td>
<td>20.0</td>
</tr>
<tr>
<td>Above 16 years</td>
<td>77</td>
<td>19.0</td>
</tr>
<tr>
<td><strong>Overall job experience</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>less than 3 years</td>
<td>11</td>
<td>2.71</td>
</tr>
<tr>
<td>4-7 years</td>
<td>97</td>
<td>23.9</td>
</tr>
<tr>
<td>8-11 years</td>
<td>132</td>
<td>32.5</td>
</tr>
</tbody>
</table>
Measurement Model

The present study proposed a direct and indirect relationship between toxic leadership, employee engagement, loyalty, satisfaction, and performance in higher educational institutions. To obtain the aim of the present study, toxic leadership was developed based on its key five dimensions (i.e., narcissism, self-promotion, authoritarian leadership, unpredictability, and abusive supervision) suggested by Finney et al. (2021). In that regard, we applied a higher-order model approach to test toxic leadership by calculating the latent variable values of its key dimensions. The constructs in the present study were analysed and evaluated by using “Cronbach’s Alpha,” “compositive reliability” (CR), and descriptive statistics (Saleem et al., 2023). Thus, “The average variance extracted” (AVE) test was also applied to measure the convergent validity of the constructs (Saleem et al., 2022).

However, during the statistical analysis, it was observed that all constructs’ mean values exceeded, indicating a significant level of participant response to the constructs. Consequently, Cronbach’s alpha value for all the constructs ranged from .70 to .93. The CR value suggests a value ranging from .78 to .92, which confirms that toxic leadership, employee engagement, loyalty, satisfaction, and performance are reliable in the context of the present study; thereby, the AVE value was extracted, which ranged from .50 to .72, where the values of all the constructs higher than .5, which suggests that the constructs are reliable and validated. Therefore, Table 3 presents the indicators’ factor loadings, Cronbach alpha, CR, and AVE.

Table 3

<table>
<thead>
<tr>
<th>Measurement Items and Constructs</th>
<th>Loading</th>
<th>α</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toxic Leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authoritarian Leadership (Finney et al., 2021)</td>
<td>.93</td>
<td>.93</td>
<td>.50</td>
<td></td>
</tr>
<tr>
<td>AL2</td>
<td>.78</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AL3</td>
<td>.85</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AL4</td>
<td>.88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AL5</td>
<td>.88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AL6</td>
<td>.84</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abusive Supervision (Finney et al., 2021)</td>
<td>.87</td>
<td>.90</td>
<td>.58</td>
<td></td>
</tr>
<tr>
<td>AS1</td>
<td>.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AS2</td>
<td>.78</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>AS3</td>
<td>.82</td>
<td></td>
<td></td>
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<td>AS4</td>
<td>.82</td>
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<td></td>
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<tr>
<td>AS5</td>
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<td></td>
<td></td>
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<tr>
<td>AS6</td>
<td>.70</td>
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Self-promotion (Finney et al., 2021) .82 .87 .58
SP1 .63
SP2 .74
SP3 .79
SP4 .82
SP5 .79
Unpredictability (Finney et al., 2021) .79 .85 .50
UP1 .64
UP2 .69
UP3 .65
UP4 .65
UP5 .80
UP6 .76
Employee Engagement (Braganza et al., 2021) .77 .79 .51
EE1 .63
EE2 .62
EE3 .73
EE4 .64
EE5 .64
Employee Loyalty (Fan et al., 2021) .81 .87 .64
EL1 .73
EL2 .82
EL3 .81
EL4 .82
Employee Satisfaction (Nemteanu & Dabija, 2021) .90 .91 .53
JS1 .67
JS2 .60
JS3 .72
JS4 .74
JS5 .73
JS7 .82
JS8 .69
JS9 .82
JS10 .64
JS11 .79
Employee Performance (Jamal et al., 2021) .83 .88 .59
JPR1 .60
JPR2 .79
JPR3 .79
JPR4 .80
JPR5 .85

Note: Cronbach’s alpha (α), Composite reliability (CR), Average variance extracted (AVE)

Lastly, we also assessed discriminant validity by comparing the square root of the average variance extracted to the correlation value. The results are indicated in Table 4 and 5 and Figure 2 of the measurement model.

Table 4
Heterotrait-Monotrait Ratio of Correlations

<table>
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Table 4 presents the HTMT of correlations, providing insights into the discriminant validity of the constructs in the study. The diagonal elements represent the square root of the Average
Variance Extracted (AVE) for each construct, where the ratios below 0.95 indicate satisfactory discriminant validity (Kaplanı & Zafiropoulos, 2022), suggesting that the constructs are distinct from each other. In addition, the Fornell-Larcker Criterion is presented in Table 5.

**Table 5**

<table>
<thead>
<tr>
<th></th>
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<td>-.09</td>
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<td>.80</td>
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</table>

*Note. Toxic Leadership (TL), Abusive Supervision (AS), Authoritarian Leadership (AL), Narcissism (NA), Self-Promotion (SP), Unpredictability (UP), Employee Engagement (EE), Employee loyalty (EL), employee satisfaction (ES) Employee performance (EP)*

The Fornell-Larcker Criterion is a discriminant validity measure based on the AVE's square root. The criterion is met when the square root of the AVE for a construct is higher than its correlation with other constructs. Table 5 reinforces the discriminant validity, indicating that each construct correlates more with its measures (on the diagonal) than with measures of other constructs.

**Figure 2**

Measurement Model
Results

Structural Model

In this study, we stressed and applied PLS-SEM statistical approaches to assess and confirm the complex hypothetical model fit after validating the measurement model. Thus, the bootstrapping technique with sub-samples 5000 was applied to obtain path coefficient values for all direct and indirect hypotheses (Hair et al., 2017). Therefore, the “Coefficient of Determination” (1) endogenous constructs and “Path coefficients of hypothesized relationships” (Saleem et al., 2023), “Coefficient of Determination” (R²) endogenous constructs, “Path coefficients of hypothesized relationships,” “Effect size” (ƒ²), and “Predictive relevance” (Q²) were calculated and presented in Table 6 and 7 and Figure 2.

Coefficient of Determination (R²)

The coefficient of determination is used to evaluate the model’s predictive explanatory power (accuracy), where a value closer to 1 represents complete predictive accuracy (Hair et al., 2017). In the present study, the R² of .17 means that toxic leadership is 17.9% of the variance in employee engagement. Second, with an R² of .16, toxic leadership explains 16.0% of the variance in employee satisfaction. Third, the R² of .18 signifies that 18.0% of the variance in employee loyalty is explained by toxic leadership. Finally, the R² of .56 is relatively high, indicating that toxic leadership, employee engagement, satisfaction, and loyalty account for a substantial 56.6% of the variance in job performance.

Effect Size (ƒ²)

According to Cohen (1988) guidelines, ƒ² ≥ .02, ƒ² ≥ 0.15, and ƒ² ≥ .35 represent small, medium, and large effect sizes, respectively. First, the effect size (ƒ²) of .16 suggests a moderate-sized relationship between toxic leadership and employee engagement. Second, the effect size of .36 indicates a relatively large relationship between toxic leadership and employee satisfaction. Third, a moderate-to-large effect size of .31 suggests a notable relationship between toxic leadership and employee loyalty. Fourth, the effect size of .14 indicates a small-to-moderate relationship between toxic leadership and employee performance. Fifth, a small effect size of .10 implies a modest relationship between employee engagement and employee performance. Sixth, the effect size of .24 suggests a moderate-to-large relationship for an unspecified path leading to employee performance. Finally, an effect size of .20 indicates a moderate relationship between employee loyalty and employee performance.

Predictive Relevance (Q²) Approach

Predictive relevance is the ability to predict the data points of indicators in reflective measurement models of endogenous constructs and endogenous single-item constructs (Hair et al., 2017). According to Cohen (1988), if the Q² value is .02, .15, or .35, then it indicates that the respective exogenous construct has small, medium, and large predictive relevance to the model, respectively. First, the Q² of .23 suggests that the model has moderate predictive relevance for employee engagement. Second, the higher Q² of .31 indicates a better predictive relevance compared to employee engagement, suggesting that the model performs relatively well in predicting employee satisfaction. Third, the Q² of .26 suggests a moderate predictive relevance, indicating that the model is reasonably effective in predicting employee loyalty.
Fourth, the $Q^2$ of .31 implies that the model has good predictive relevance for job performance, suggesting that it performs well in predicting this outcome.

**Hypothesis Testing**

To test the direct and indirect hypotheses, which predicated the relationship among toxic leadership, employee engagement, satisfaction, loyalty, and performance using PLS-SEM approaches via SmartPLS software.

H1 predicted that toxic leadership positively impacts employee performance. Consistent with the hypothesis, toxic leadership practices significantly affect employee performance, ultimately minimizing their achievements in educational institutions ($\beta = .35, t = 4.59, p < .05$) thus, H1 was accepted.

We further tested the effect of toxic leadership on employee engagement, satisfaction, and loyalty in H2, H3, and H4. Referring to the first hypothesis, toxic leadership is abusive in shaping negative and/or weak employee engagement, satisfaction, and loyalty in higher educational institutions. So, H2 ($\beta = -.30, t = 2.14, p < .05$), H3 ($\beta = .84, t = 13.36, p < .05$), and H4 ($\beta = .69, t = 12.05, p < .05$) where H2, H3, and H4 were accepted.

Notably, H2 ($\beta = -.30$ signifies a negative association between toxic leadership and employee engagement. As toxic leadership behaviours increase, there is a corresponding decrease in employee engagement. On the other hand, the $t = 2.14$ indicates that the observed relationship is statistically significant, and the $p = .03$ further supports this by suggesting that the findings are unlikely to be due to random chance.

Therefore, we carried out the same procedure to test the impact of employee engagement on performance. Surprisingly, we found an insignificant impact of employee engagement on performance, which explains that destructive employee engagement, marked by disinterest, disconnection, or dissatisfaction, can harm performance. It results in reduced productivity, quality, and innovation. Thus, ($\beta = .06, t = 1.45, p > .05$), therefore, H5 was rejected.

In addition, H6 and H7 were tested, and we found supporting results. As in hypotheses, we predicted the impact of employee satisfaction and loyalty on performance. The commitment of teachers to students brings strong satisfaction and loyalty, which shapes overall positive employee performance even when working under toxic supervision and/or environment; thus, H6 ($\beta = .36, t = 4.79, p < .05$) and H7 ($\beta = .14, t = .14, p < .05$) were accepted.

As in the above direct hypotheses, we found a significant and positive relationship between toxic leadership, employee performance, engagement, satisfaction, and loyalty; surprisingly, employee engagement insignificantly correlated with performance, and accordingly, in mediating hypothesis H8, we found employee engagement does not mediate the relationship between toxic leadership and employee performance ($\beta = -0.02, t = 1.16, p > .05$). Thus, H8 was rejected.

Finally, we obtained statistical results for H9 and H10, finding that employee satisfaction and loyalty mediate the relationship between toxic leadership and employee performance. The results show that H9 ($\beta = .30, t = 4.71, p < .05$) and H10 ($\beta = .10, t = 2.55, p < .05$) were accepted. Hence, all the path coefficient results are presented in Table 6 and 7 and Figure 2.
Table 6
Direct Hypotheses

<table>
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<tr>
<th>Paths</th>
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<th>t</th>
<th>p</th>
<th>Results</th>
</tr>
</thead>
<tbody>
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<td>.000</td>
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</tr>
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<td>2.14</td>
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<td>H3 Toxic Leadership → Employee Satisfaction</td>
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<td>13.36</td>
<td>.000</td>
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</tr>
<tr>
<td>H4 Toxic Leadership → Employee Loyalty</td>
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<td>.000</td>
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<tr>
<td>H5 Employee Engagement → Employee performance</td>
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<td>1.45</td>
<td>.145</td>
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</tr>
<tr>
<td>H7 Employee Satisfaction → Employee performance</td>
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<td>4.79</td>
<td>.000</td>
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</tr>
<tr>
<td>H6 Employee Loyalty → Employee performance</td>
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<td>2.60</td>
<td>.009</td>
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</table>

Table 7
Mediating Hypotheses

<table>
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<th>p</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H8 Toxic Leadership → Employee' Engagement→ Employee performance</td>
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<tr>
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<td>2.55</td>
<td>.011</td>
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<tr>
<td>H10 Toxic Leadership → Employee Satisfaction → Employee Performance</td>
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<td>4.71</td>
<td>.000</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Model Fit Measure

The model fitness in the SEM-PLS model is evaluated through diverse measures, including the "standardized root-mean-square residual" (SRMR), “standardized root-mean-square residual” (SRMR), and the “exact model fits” like d_ULS and d_G, “Normed Fit Index” (NFI), and χ² (Chi-square) (Sudarsono & Nugrohowati, 2020). Following Hu and Bentler's (1998) guidelines, a model is considered fitting if the SRMR value is below .10. This study's SRMR value meets this criterion, affirming the model's fitness. Ding (1996) proposed an NFI value above .75 for a model to be deemed a good fit. In our study, the NFI value surpasses .75, supporting the characterization of the model as a good fit. Therefore, Table 8 provides a comprehensive overview of the study results, encompassing the saturated model, evaluating correlations among all constructs, and the estimated model, which considers the structural aspects and is defined based on the overall effect.

Table 8
Model Fit

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<tr>
<td>NFI</td>
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Discussion

In the present study, we investigated and concluded the relationship between toxic leadership, employee engagement, satisfaction, loyalty, and performance, relying on the social exchange theory and conservation of resources theory. The present study’s findings confirmed that the teaching and non-teaching staff in Saudi Arabian higher educational institutions are experiencing toxic leadership practices. According to Abdallah and Mostafa (2021), in the context of educational institutions in Saudi Arabia, toxic leadership influences not only the well-being of educators but also the quality of education provided to students.
First, we found that toxic leadership impacts employee performance. When educators are subjected to abusive or demotivating behaviours from their leaders, their ability to perform at their best is compromised (Li et al., 2016).

Second, we also found that toxic leadership impacts employee engagement in higher educational institutions in Saudi Arabia. Akca (2017) highlighted that engaged employees are passionate, motivated, and committed, but toxic leaders erode their overall engagement. The constant stress, fear of retribution, and negative work environment created by toxic leaders lead to disengagement (Brouwers & Paltu, 2020).

Third, toxic leadership directly influences employee satisfaction. Haider and Yean (2023) outlined that toxic leadership profoundly impacts employee satisfaction among educational employees in Saudi Arabia. In addition, Aldhuwaihi (2013) illustrated that low job satisfaction can result in higher turnover rates as educators seek more positive and supportive work environments.

Fourth, findings in the recent study confirmed the direct influence of toxic leadership on employee loyalty. Empirically, prior studies reported that employee loyalty in the face of toxic leadership is more complex (Akca, 2017). Some employees may remain loyal to their institutions for reasons such as job security, benefits, or a sense of duty to their students (Snow et al., 2021). However, employees' loyalty may be fragile, and persistent toxic leadership can erode over time. Loyalty based solely on external factors may not translate into the kind of dedication and commitment that organizations need from their employees (Lipman-Blumen, 2010).

Surprisingly, we found an insignificant direct influence of employee engagement on performance in higher educational institutions in Saudi Arabia. Previously, Saxena and Srivastava (2015) surveyed and confirmed the negative impact of employee engagement on performance.

Additionally, we have identified a substantial and noteworthy impact of employees' satisfaction and loyalty on their performance within the workplace. This finding underscores the critical role that employees' emotional and psychological well-being plays in determining their overall performance. Numerous studies support this connection, for instance, a study by Meyer and Allen (1991) highlights the positive relationship between employees' commitment, satisfaction, loyalty, and performance. Employees who feel satisfied and loyal to their work tend to be more engaged, motivated, and productive.

Likewise, in their extensive research, Heskett et al. (1997) established and confirmed a direct and positive link between employee satisfaction, loyalty, customer satisfaction, and organizations’ financial performance. The authors added that satisfied and loyal employees are more likely to provide better service, increasing customer satisfaction and loyalty.

Finally, as mentioned earlier in the present study, we aim to predicate the mediating role of employee engagement, satisfaction, and loyalty between toxic leadership and employee performance.

Empirical studies also indicated that toxic leadership was significantly linked with employee performance mediated by employee engagement (Lai et al., 2020), satisfaction (Bellou & Dimou, 2022), and loyalty (Puspita et al., 2020). Therefore, the present study found that employee engagement does not mediate the relationship between toxic leadership and employee performance. While engaged employees are typically more productive, the detrimental impact
of toxic leaders’ behaviours, such as bullying and micromanagement, may be so pronounced that it outweighs the benefits of engagement (Saxena & Srivastava, 2015).

Previously limited empirical studies have explored the impact of toxic leadership on employee performance in educational institutions mediated by employee engagement, satisfaction, and loyalty. In this regard, the present study sheds light on its mediation alongside satisfaction and loyalty in the relationship between toxic leadership and employee performance. Thus, the present study’s findings may contribute new knowledge to the literature on toxic leadership and employee performance.

**Practical and Theoretical Implications**

The present study on the impact of toxic leadership on employee engagement, satisfaction, loyalty, and performance in higher educational institutions carries several important implications for both academia and practical application. Overall findings supported the arguments that educational institutions could improve and enhance employee engagement, satisfaction, loyalty, and performance by avoiding toxic leadership practices. Toxic leadership can have far-reaching consequences for educators’ well-being and the quality of education offered to the students (Abdallah & Mostafa, 2021). Therefore, institutions should invest in leadership development programs and create mechanisms for identifying and rectifying toxic leadership behaviours.

Furthermore, the study emphasizes the significance of providing support systems for educators dealing with toxic leadership. Counselling services and avenues for reporting toxic behaviours can help employees cope with the stress and challenges posed by toxic leaders. Thus, the results suggest educational institutions should focus on leadership training and accountability measures. By addressing toxic leadership proactively, institutions can improve employee engagement, job satisfaction, and loyalty, ultimately leading to enhanced educational performance.

In summary, the present study sheds light on the critical issue of toxic leadership in the educational sector. It offers valuable insights for academic research and practical application, ultimately improving the performance of educational institutions and the well-being of educators and students alike (Schyns & Schilling, 2013).

**Limitations and Suggestions for Future Research**

While this study provides valuable insights into the impact of toxic leadership on employee engagement, satisfaction, loyalty, and performance in higher educational institutions in Saudi Arabia, it is essential to acknowledge certain limitations and offer suggestions for future research.

First, there seems to be no official report showing the population of employees working under toxic supervision in private and public educational institutions in Saudi Arabia. Since the data were collected randomly from private, public, and semi-public educational institutions in Jeddah, Saudi Arabia, thus, the sample of the present study may not be representative of all Saudi Arabian educational institutions, and this would raise the question of the generalizability of the results to other cities. Future research should examine the impact of toxic leadership on organizational performance.
Second, the scope of the present study is limited to the higher educational institutions in Saudi Arabia, and its findings may not be generalizable to other contexts or countries. Future research could explore the cross-cultural dimensions of toxic leadership and its effects on employee performance in various global contexts.

Third, the study primarily examines the direct impact of toxic leadership on employee performance. Future research could investigate potential moderators and mediators, such as organizational culture or individual personality traits, to better understand the nuances of this relationship.

Lastly, longitudinal studies could provide valuable insights into the long-term effects of toxic leadership and the potential for recovery or rehabilitation of employee engagement, satisfaction, loyalty, and performance over time.

Overall, while the present study contributes to our understanding of toxic leadership's impact on the performance of employees in Saudi Arabian higher educational institutions, future research should address these limitations and explore additional dimensions of this complex phenomenon (Eisenbeiss et al., 2008).

Declarations

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Disclosure Statement
No potential conflict of interest was reported by the authors.

Ethics Approval
Not applicable.

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Reference


