

# From Vision to Reality: Factors Impacting the Implementation of Value-Based Care in Eastern Health Cluster in Saudi Arabia

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## Abstract

The purpose of this study is to explore the intricate relationships between Value-Based Care (VBC) and various organizational and leadership factors within healthcare settings. The research question concerns what is the impact of those factors on the implementation of VBC. The research adopts an explanatory approach and utilizes a quantitative method by employing a questionnaire to reach a sample of 376 respondents. The research was exclusively carried out in the eastern health cluster hospitals of the kingdom of Saudi Arabia. The findings revealed that effective nursing leadership, employee engagement, change management skills, and organizational culture significantly contribute to the successful implementation of VBC. The findings underscore the critical role of nursing leadership in driving improvements in patient care quality and operational efficiency. This research also highlights the importance of fostering a positive organizational culture and robust change management capabilities to enhance VBC practices. By identifying these key factors, the study provides actionable insights for healthcare administrators and policymakers aimed at improving patient outcomes and achieving cost-efficiency through the adoption of VBC models. Despite its contributions, the study acknowledges certain limitations and suggests avenues for future research to further validate and expand upon these findings.

**Keywords:** Value-based care (VBC), nursing leadership skills, employee engagement, organizational culture, change management skills.

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## INTRODUCTION

### General Background

In Saudi Arabia, Eastern Health Cluster encompasses all health facilities affiliated with the Ministry of Health based on geographical location and demographics to provide integrated health services beginning with prevention and progressing to primary care, secondary and specialized care in hospitals, home and extended care, virtual medicine, and other services at all levels of health care. The central administration is also responsible for leadership, supervision, strategic direction, common service management, and overall governance. The Health Sector Transformation Program strives to assure the achievement of the program's objectives and the current model of care, to align itself with the 2030 KSA vision (Cluster, 2024).

The goal of VBC in healthcare is to make sure that scarce resources are used in a way that offers patients the most benefit (Gentry & Badrinath, 2017). In VBC,

"value" is defined as the ratio of expenses to patient-relevant health outcomes. It has been demonstrated that measuring costs and results provides insightful information about waste and variance in practice, which can result in process improvement (Zipfel *et al.*, 2019). Nursing leadership plays a pivotal role in the implementation of VBC, which focuses on delivering high-quality care while optimizing costs. This thesis explores the impact of nursing leadership on the successful adoption of VBC within the Eastern Health Cluster Hospitals in Saudi Arabia.

The central administration of the Eastern Health Cluster is responsible for leadership supervision, strategic direction, common service management, and overall governance, ensuring that the health care services are delivered effectively and efficiently. This comprehensive approach is integral to achieving the goals outlined in the healthcare sector transformation program, which aims to align with the ambitious objectives of Saudi Arabia's Vision 2030 (Cluster,

2024). Vision 2030 is a strategic framework aiming to diversify the economy and develop various sectors, including healthcare, to enhance the quality of life and well-being of the population (Saudi Vision 2030, 2021).

Nursing leadership is crucial in navigating the complexities of healthcare transformation, particularly in the context of VBC. Effective nursing leadership involves various styles, traits, and skills, that significantly impact the implementation of VBC. Leadership styles such as transformational, servant leadership, and democratic leadership, have been associated with positive outcomes in their healthcare settings (Sfantou *et al.*, 2017). These leadership styles promote collaboration innovation and a patient-centered approach, which are essential for VBC.

The role of nursing leadership in VBC also encompasses knowledge about VBC management. Leaders must be well-versed in VBC principles and practices to guide their teams effectively. This knowledge includes understanding course management, quality improvement, patient outcomes, and care coordination (Porter & Lee, 2013). Nursing leaders must also possess robust change management skills to foster a culture that embraces VBC. Change management involves guiding and supporting staff through transition, addressing resistance, and ensuring that new practices are adopted smoothly (Kotter, 1995).

Furthermore, the organizational culture within healthcare settings plays a significant role in the implementation of VBC. A supportive and collaborative culture can enhance the effectiveness of nursing leadership in driving VBC initiatives. Organizational culture shapes behaviors, attitudes, and practices within the healthcare environment influencing how well VBC's basic principles are integrated into daily operations (Schein, 2010).

This thesis will examine how nursing leadership styles traits and skills; knowledge about VBC management; change management skills; and organizational culture; contribute to the successful implementation of VBC in the Eastern Health Cluster. By understanding these factors, we can develop strategies to enhance nursing leadership and ensure the effective adoption of VBC ultimately aligning with the goals of Saudi Arabia's Vision 2030.

### Research Problem

Earlier research has extensively examined physicians' roles in collaboration with other multidisciplinary teams in VBC such as Cornell (2020), Walsh *et al.*, (2020), Nilsson *et al.*, (2018), Ng (2022), Teisberg *et al.*, (2020), Nilsson and Sandoff (2017), Zipfel *et al.*, (2019), and Daniels *et al.*, (2022). As noted, the topic is well-studied; however, there is a substantial gap in understanding the critical impact of the nursing profession and its leadership on driving change and

effectively implementing new VBC models in Saudi Arabia. This study seeks to investigate how nursing leaders contribute to the successful adoption and operation of VBC, addressing the underutilized potential they have for revolutionizing healthcare delivery in the context of Saudi Arabia.

### Objectives of the Study

This research aims to explore the nursing leadership's role in implementing VBC among Eastern Healthcare Cluster in Saudi Arabia. The objectives of the study are as follows:

- To examine the impact of leadership skills on the implementation of VBC in Eastern Health Cluster in Saudi Arabia.
- To examine the impact of employee engagement on the implementation of VBC in Eastern Health Cluster in Saudi Arabia.
- To examine the impact of change management skills on the implementation of VBC in the Eastern Health Cluster in Saudi Arabia.
- To examine the impact of organizational culture on the implementation of VBC in Eastern Health Cluster in Saudi Arabia.

### Significance of the Study

This study is essential because it fills a major gap in previous research by highlighting the underappreciated contributions of nursing leaders to the adoption and progress of VBC. This study can contribute to a better understanding of VBC implementation by investigating the crucial role nursing leadership plays in the change process. Understanding these relationships is critical for improving healthcare delivery and results by ensuring that policies and practices include all key healthcare personnel. Furthermore, recognizing nurses' contributions can help to improve resource allocation, training, and support systems, resulting in more successful VBC models. This study aims to empower nursing leaders and the workforce, advocating for their critical role in reforming healthcare.

### Research Question

The research question of the study is as follows: What are the factors that impact the implementation of VBC in the Eastern Health Cluster in Saudi?

The sub-questions are as follows:

- What is the impact of leadership skills on the implementation of VBC in the Eastern Health Cluster in Saudi Arabia?
- What is the impact of employee engagement on the implementation of VBC in the Eastern Health Cluster in Saudi Arabia?
- What is the impact of change management skills on the implementation of VBC in the Eastern Health Cluster in Saudi Arabia?
- What is the impact of organizational culture on the implementation of VBC in the Eastern Health Cluster in Saudi Arabia?

## LITERATURE REVIEW

The world over healthcare systems are transitioning away from fee-for-service and towards VBC, which is about maximizing patient outcomes while minimizing cost. VBC evens the playing field for healthcare providers and payers by prioritizing the quality rather than quantity of care. It strives to increase satisfaction, health, and care efficiency in patients and is a compelling paradigm for contemporary healthcare delivery (Teisberg *et al.*, 2020). In this era of change, nursing leadership can assist healthcare systems in successfully implementing VBC. Nursing leaders, on the frontlines of patient care, shape aspects of care, such as collaboration, satisfaction, and operational efficiencies. They will have to grapple with healthcare reform and develop the culture of continuous improvement required for the success of VBC (Cornell, 2020).

This literature review examines the nursing leadership in the implementation of VBC in hospitals. It seeks to understand how leadership, culture, and strategic thinking shape good VBC practices. It also addresses the challenges and barriers to moving toward this model of care.

### Primary Literature

#### *Definition of Value-Based Care (VBC)*

VBC is a model of healthcare delivery that improves the health of patients by allocating healthcare payments in relation to the quality of care provided, rather than quantity. Through VBC, healthcare professionals are rewarded for greater efficiency of care, patient engagement, and health outcomes, while also reducing costs. Teisberg *et al.*, (2020) found that VBC brings healthcare professionals back to being healers, aligning their own goals with patients and payers to create the best health for less money.

VBC's basic vision is to create a system in which the patient's happiness is the measure of success. This is unlike current fee-for-service systems that can generate unnecessary costs and uneven care (Teisberg *et al.*, 2020). VBC encourages providers, patients and payers to collaborate and provide the whole patient journey care.

#### *Nursing Leadership and Value-Based Care*

Nursing is key to implementing VBC successfully as they are directly in contact with patients. Nursing leaders, in particular, are the people most important in building a culture of patient-centered care, and teamwork and that care is being delivered according to VBC values. As Cornell (2020) points out, key leadership qualities of the VBC time include: how to foster collaborations between providers, patients and payers for seamless coordination and continuous care improvement. Nurse leadership also ensures that care teams are focused on health outcomes.

Further, nursing leaders are best equipped to change the care setting to ensure that care is delivered according to VBC's patient-centered objectives. They connect the clinical and strategic decision processes so that patient outcomes are first (Cornell, 2020). They are particularly instrumental in modifying care pathways and processes so they are not only cost-effective but relevant to the patient's needs.

#### *Change Management, Employee Engagement, and VBC*

Change management is defined as the process, tools, and techniques used to manage people's behaviors to drive a business outcome. (Sadangi & Mohapatra, 2017). Bolman and Deal (2017) argue that the cause of change management failure is that managers dwell on a narrow perspective of the organizations. According to Kang *et al.* (2020), employee engagement is an individual's interest in, satisfaction with, and excitement for their work. Research has indicated that work performance and employee engagement are positively correlated. Managing opposition to change, and employee engagement are crucial, which require certain leadership techniques to support VBC initiatives. Managers may lessen resistance and foster a sense of ownership for care teams by allowing staff members to participate in decision-making and by giving them clear instructions (Nilson *et al.*, 2018).

#### *Organizational Culture and VBC*

VBC implementation in the healthcare industry depends heavily on organizational culture. As defined in the literature organizational culture is the set of values, beliefs, and conventions that inform the actions and judgments of employees in a specific environment (Kassem and Ajmal, 2019). While a distorted culture might impede value-driven action, a healthy culture encourages creativity, teamwork, and patient-centeredness (Abdullahi *et al.*, 2021). By including coworkers in decision-making and providing them with VBC training, leaders may encourage openness, transparency, and responsibility. This alignment guarantees that all employees are working together to enhance the patient experience and standard of care (Nilsson & Sandoff, 2017).

#### *Impact of VBC on Healthcare*

VBC has made huge ripples through the healthcare industry and has transformed the way that care is provided and assessed. Teisberg *et al.*, (2020) show how VBC disrupts the conventional paradigm of care, by prioritizing health outcomes and cost-effectiveness. For this approach, the patient is at the center of care, and outcomes depend on patient well-being, rather than the volume of services. That is translated into more collaborative care, interdisciplinary collaboration and attention to the long term.

But there is also a challenge in moving to VBC, in getting the multiple stakeholders (providers, insurers,

and patients) to share common objectives. 'Financial challenges and manpower shortages are major barriers to effective VBC deployment, Ng (2022) points out. These barriers might keep clinicians and managers away, and it's vital for leadership to help people engage, collaborate, and align everyone with the overall vision of delivering better patient care.

This is where nursing leadership becomes necessary to tackle such obstacles. Nursing leaders can help facilitate the smooth move to VBC by creating interdisciplinary collaboration and outcome-oriented care. They are also integral to the development of patient- and cost-effective care-delivery models that further achieve the aims of VBC (Ng, 2022).

## Theoretical Background

### *Leadership Theories Relevant to VBC*

Leadership is fundamental to the successful application of VBC because it directly impacts the functioning of care teams and the priorities for patient care. Different theories of leadership will provide information about the talents and strategies required for effective VBC implementation.

Cornell's Accountable Healthcare Leadership Theory of Five Ps, for example, is one such theory (2020). The theory emphasizes partnerships between providers, patients, and payers. They are key in the establishment of a unified care culture where everyone comes together with the same mission to provide VBC. According to Cornell (2020), leadership in VBC not only involves clinical know-how but also strategic cooperation, finance, and the ability to negotiate complex relationships between different medical entities.

An additional theory of interest is Transformational Leadership, frequently invoked in the medical field for the focus on encouraging and inspiring teams to work towards common objectives. Change leaders invest in retaining employees, driving innovation, and continuously striving for continuous improvements, all of which are essential to implementing VBC. Transformative leadership in a VBC setting helps care teams set patient expectations for long-term health outcomes rather than for a transactional relationship. This leadership also promotes team cohesion, which is an important aspect of VBC as interdepartmental teams must cooperate to deliver total patient care (Nilsson *et al.*, 2018).

There's also the servant leadership theory that makes good sense with VBC. This leadership method sees the leader working for the team and the patients and is geared toward allowing staff to perform their tasks. This is in line with VBC's patient-centered philosophy, which is all about treating people and partnering with the care providers to get the patients the most optimal care. Servant leaders develop their staff and team, promote

personal growth, and build the kind of environment that can fuel VBC efforts (Walsh *et al.*, 2020).

### *Organisational Culture and Leadership*

Organizational culture, another important element in implementing VBC, relies on leadership. Organizational culture is defined as a set of values, beliefs, and conventions that inform the actions and judgments of employees in a healthcare environment (Rassel & Mian, 2019). A healthy organizational culture can also foster innovation, collaboration, and patient-centredness within VBC. Conversely, a twisted culture can hold back value-driven behavior (Abdullahi *et al.*, 2021).

Leaders are expected to establish a culture embracing VBC. Nilsson and Sandoff (2017) recommend that the right leaders promote openness, transparency, and accountability. They interact with their colleagues, solicit input, and train them on the importance of providing VBC.

This cultural alignment is vital to make sure that all staff members are in this organization together to focus on increasing the patient experience and quality of care for less.

Leaders also need to navigate the change resistance that often comes with the transition to VBC. Nilsson *et al.*, (2018) reported that leadership approaches based on engagement and control strengthened the VBC efforts at the firm. By involving employees in decision-making and offering clear instructions, managers can reduce resistance and build ownership for care teams, two of the keys to successfully using VBC.

### *Leadership and Interdisciplinary Collaboration*

Multi-disciplinary work is the foundation of VBC because it gives healthcare practitioners across specialties the chance to collaborate toward the goal of enhancing patient outcomes. Leadership is crucial to this kind of collaboration. Leaders who foster a climate of communication, collaboration, and care-teaming enable multidisciplinary teams to thrive.

Zipfel *et al.*, (2019) also highlighted leadership in building partnerships in the context of VBC. They concluded that value-based projects thrive when leaders embrace collaboration and constant monitoring of results. Interdisciplinary leadership approaches allow for the dissolution of silos within healthcare organizations for integrated, patient-centered care.

Leading effectively with VBC also involves taking into account the needs of other stakeholders, from clinicians to patients to payers. Financial pressure and lack of resources, as Ng (2022) emphasized, tend to lead these communities into conflict. A clear direction and vision will be required to address these obstacles while

keeping everyone committed to the overall mission of improving patient outcomes.

Overall, leadership theories such as Accountable Healthcare Leadership Theory, transformational leadership, and servant leadership can help us make sense of the leadership traits required in the delivery of VBC. VBC in health care relies on leadership's role in shaping organizational culture and interdisciplinary collaboration. In the following paragraphs, we'll explore empirical research on the feasibility of these leadership strategies in live VBC deployments.

### **Empirical Studies**

#### ***Leadership Skills and Value-Based Care***

Some empirical research has even highlighted the specific leadership competencies that have to be acquired to deliver VBC. Cornell (2020) studied the key executive leadership competencies required during the VBC, drawing on interviews, focus groups, and archival material. According to the research, a successful VBC leader requires a combination of strategic and relational abilities. These include the capacity to support partnerships among providers, patients, and payers, and the ability to advocate for patient-centered care and navigate complicated systems. The researchers created the Accountable Healthcare Leadership Theory of Five Ps, focusing on partnerships to better implement VBC.

Walsh *et al.*, (2020) also performed a systematic review of managerial skills in hospitals that moved to VBC. They found several types of styles of leadership required for effective management in a VBC environment. These skills go beyond clinical abilities to financial stewardship, outcomes-based performance indicators, and team leadership through cultural change in care delivery. They point to a need for a more expansive competency model of both professional and leadership skills if hospitals are to successfully migrate to VBC environments.

#### ***Challenges in VBC Implementation***

Barriers to leadership and clinician involvement in VBC are one of the major themes in the literature. Ng (2022) investigated managers' attitudes and clinical interactions within the NHS (National Health Service) in the UK concerning VBC utilizing qualitative study. Among the obstacles, they found, were financial limitations, labor scarcity, and regulatory complexity. Managers and clinicians also failed to reach their mutual objectives in terms of priorities, so the collaboration on VBC projects was weak. This is why leadership needs to prioritize ways to get people to engage and eliminate the structural barriers to using VBC.

Nilsson *et al.*, (2018) also identified key barriers to the adoption of VBC in a large Swedish university hospital. By utilizing exploratory design, and interviews with open-ended questions they discovered that

resources and leadership commands played an important role in encouraging VBC. But, often, lack of management support made things difficult. In addition, those in the study reported that committed leadership and decision-making power made the transition to VBC easier when care teams were well-trained and supported. This is why taking strong leadership in the VBC implementation landscape is crucial.

#### ***Impact of Leadership on Organizational Culture in VBC***

Leadership also has a strong impact on organizational culture which influences the success of VBC programs. Nilsson and Sandoff (2017) explored leadership in the delivery of VBC at a large Swedish university hospital. According to them, visible, open, and approachable leadership strategies were crucial to recruiting employees into the VBC. It revealed that leadership models of expected behavior engage the organization's culture and help embed VBC values.

A strong organizational culture, in line with VBC values, is essential for teamwork and ensuring all staff take ownership of patient outcomes. Managers play a key role in creating this culture by fostering values like teamwork, accountability, and learning. Nilsson *et al.*, (2018) observed that staff often found it difficult to work in VBC programs where leaders weren't present or clear guidance was lacking, resulting in fragmented care delivery and less effective VBC programs.

#### ***Leadership and Interdisciplinary Collaboration in VBC***

Collaboration across disciplines is another aspect of VBC's success, and leadership helps to ensure that it happens. Zipfel *et al.*, (2019) case study focused on how Quality Improvement Management (QIM) can be applied to VBC by exploring the impact of leadership on the team. Leaders who proactively advocated for interdisciplinary work and ongoing monitoring experienced progress for a more cohesive care system. This collaborative practice supports VBC guidelines, focusing on integrated multidisciplinary care for improved patient outcomes.

In addition, Daniels *et al.*, (2022) looked at how Value-Based Quality Improvement (VBQI) teams were set up in hospital care using a qualitative study. Their results found that implementation of VBQI depended significantly on the leadership's ability to involve cross-functional teams. VBC outcomes were better attained by leaders who supported open communication and articulated goals for VBQI teams. This reflects that leadership is not just about leading teams but providing the space for interdisciplinary collaboration.

#### ***Case Studies on VBC Leadership***

Teisberg *et al.*, (2020) provided an example of the implementation of VBC, with a focus on leadership in returning clinicians to their healing profession. By addressing health outcomes and patient satisfaction,

VBC promotes the professional culture of healthcare professionals – in particular, physicians. Leading emerged as essential for disrupting conventional notions of care delivery and fostering a more whole-person, patient-centered model. Hence this case study shows how leadership plays an essential role in reinventing care teams working within the VBC framework to achieve culture and business transformation in healthcare organisations.

Zipfel *et al.*, (2019) also emphasized the necessity of ongoing outcome evaluation in VBCs. Outcome-based leaders and those who helped their teams monitor outcomes performed better in implementing VBC. Such a focus on measurable impact is consistent with the larger aims of VBC, where success is measured not by how many services were provided but by the quality of care and patient satisfaction.

Nursing leadership is critical to the implementation of VBC because leaders determine care, organizational culture, and interdisciplinary collaboration. Researchers have shown that nursing leaders must train in a multifaceted skill set such as strategic teamwork and cost management to guide teams through VBC (Cornell, 2020; Walsh *et al.*, 2020). However, funding issues and lack of resources are the biggest challenges. Leaders must make efforts to overcome these challenges so that all stakeholders are kept engaged (Ng, 2022).

Leadership has a significant impact on organizational culture. The leader who fosters transparency, openness, and accountability is the person who will also help to build VBC values within the organization and create a culture that supports patient outcomes (Nilsson & Sandoff, 2017). Also, interdisciplinary collaboration under high-level leadership is important for coordinating care and increasing patient outcomes. Leaders need to encourage open dialogue and joint decision-making to eliminate silos in healthcare teams (Zipfel *et al.*, 2019).

Finally, nursing leaders need to prioritize data-based decision-making and continual improvement. Leadership, employee engagement, change management skills, and enculturation of the organizational culture can ensure that VBC initiatives stay patient-centric and cost-effective by prioritizing measurable results while adopting a learning-based innovation mindset (Teisberg *et al.*, 2020). The nursing leaders who thrive in VBC will be balancing clinical care and leadership to help their organization navigate the healthcare reform journey.

### Research Context

Saudi Arabia has undergone dramatic reforms in its healthcare system in recent years, as part of its Vision 2030 initiative. This would diversify the economy and improve public services such as healthcare. Saudi Arabia opted for the turn from volume-based to VBC

care to optimize patients and cut healthcare costs (Ministry of Health, 2023). The Saudi hospitals, both public and private, contribute to making this transition by introducing new models of care (Cluster, 2024).

The hospitals in the Eastern Health Cluster, which also includes facilities under the Ministry of Health, are leading the change. These hospitals can serve a wide spectrum of services, from preventive and primary care to specialized and virtual care. VBC in these hospitals and clinics is about an internal transformation of attitude and operations, which focuses on patient-centricity, multidisciplinary collaboration, and efficiency (Health, 2024).

However, the adoption of VBC in Saudi hospitals is hampered by resistance to change, scarce resources, and the lack of proper leadership and training (Ng, 2022). Especially nursing leadership, which is responsible for navigating teams through these transitions while maintaining the patient's end of the continuum (Cornell, 2020). In this work, we'll investigate nursing leadership as such, and ask how they support the successful implementation of VBC models in Saudi Arabian hospitals.

### Hypotheses Development

According to the literature reviewed, nurse leadership plays a major role in the hospital-wide adoption of VBC models. These studies assessed leadership characteristics, competencies, and practices that have a direct impact on staff engagement, organizational culture, and change management. All research identifies critical leadership variables that influence the use of VBC.

Cornell (2020) listed seven executive leadership qualities that are critical to VBC, including building relationships between providers, patients, and payers. This reflects the necessity of strategic alignment and cross-disciplinary collaboration within healthcare environments. Similarly, Walsh *et al.*, (2020) favored managerial skills in VBC settings and identified five leadership categories for the successful management of VBC-based hospitals.

Nilsson *et al.*, (2018) determined that commitment to resource management, participation, and decision-making roles allowed for VBC to be more easily implemented in a Swedish University Hospital. Ng (2022) identified the financial and manpower challenges as major obstacles and emphasized leadership who can overcome these barriers through collaboration and effective use of resources.

Teisberg *et al.*, (2020) emphasized the need to track outcomes and costs, demonstrating that leaders are key to leading teams toward patient-centered care. This was reinforced by Nilsson and Sandoff (2017), who stressed the need for openness, visibility, and model

leadership when it comes to VBC adoption. Zipfel *et al.*, (2019) and Daniels *et al.*, (2022) both affirmed the value of interdisciplinary teamwork and outcomes tracking in optimizing VBC projects.

Table 1 lists the studies and their variables associated with leadership and VBC, laying the groundwork for the hypotheses. We will use the table as a point of departure for the most significant variables extracted from each study and to support the hypothesis.

**Conceptual Model**

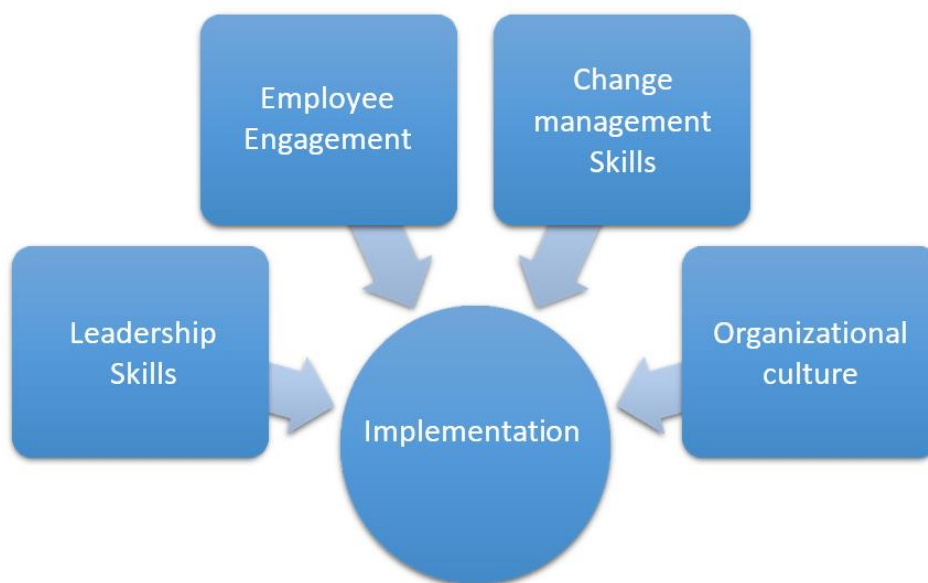
Based on previous studies, the research hypotheses of the study are as follows presented in the conceptual model of the study (Figure 1):

**H1:** Leadership skills have a positive impact on the implementation of VBC in the Health Cluster in Saudi Arabia.

**H2:** Employee engagement has a positive impact on the implementation of VBC in the Health Cluster in Saudi Arabia.

**H3:** Change management skills have a positive impact on the implementation of VBC in the Health Cluster in Saudi Arabia.

**H4:** Organizational culture has a positive impact on the implementation of VBC in the Health Cluster in Saudi Arabia.



**Figure 1: Conceptual Model of the Study**

In summary, the conceptual model illustrates the complex interrelationships among many variables impacting the adoption of VBC in the Eastern Health Cluster in Saudi Arabia. The effective implementation of the dependent factor, which is VBC implementation, is greatly influenced by important independent variables such as organizational culture, employee engagement, leadership skills, and change management capabilities. The approach emphasizes how crucial nursing leadership is to creating a culture that values teamwork, creativity, and patient-centered care. This conceptual framework lays the groundwork for more empirical research, directing subsequent investigations to delve deeper into these connections and create workable plans for enhancing healthcare systems.

**METHODOLOGY**

The study is explanatory and quantitative. It embraces positivism philosophy and utilizes deductive approach. A thorough questionnaire with 6 sections demographics, organizational culture, change

management abilities, employee engagement, nurse leadership skills, and VBC implementation was created to investigate how nursing leadership contributes to the adoption of VBC in the Eastern Health Cluster in Saudi Arabia. The questionnaire was shared through google forms. Likert scales (e.g., Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree) are used in each segment to collect responses from participants.

To ensure the reliability and clarity of the questionnaire, a pilot test was conducted with 20 individuals. This preliminary phase allowed for the identification and rectification of any issues in the survey design, ensuring that the questions were understandable and effectively measured the intended variables. The study adopts a cross-sectional time horizon to capture data at one point in time. The data collection time frame started on June 30<sup>th</sup>, 2025, and extended up to the 24<sup>th</sup> of March 2026.

The population of this research are nursing leaders, middle management nurses, and staff nurses in

the Eastern Health Cluster in Saudi Arabia, which is 6,150 in 2025. Prior to filling the questionnaire, informed consent was obtained and participation was voluntary. As per Quarltics the ideal sample size to be tested is 362. To guarantee a representative sample of nurses and nursing leaders from various Eastern Health Cluster hospitals, a stratified random sampling technique was used. Additionally, a non-random snowball sampling technique was utilized to reach a broader range of participants. Data was collected from 376 responders.

Participant rights and data integrity are protected, and adherence to ethical norms is upheld throughout the study. To guarantee accuracy and dependability, the gathered data was rigorously analyzed using the statistical software SPSS. Several crucial steps were engaged in the analysis process. Firstly, data cleaning was used to get rid of any inconsistent or missing answers. Another technique was descriptive statistics, where all demographic data and Likert-scale answers were compiled. To give a summary of the demographics, data metrics including mean, median, standard deviation, and frequency distributions were computed. Additionally, to know the associations between the independent variables (nursing leadership skills, employee engagement, change management skills, and organizational culture) and the dependent variable (implementation of VBC) inferential statistical approaches, such as regression analysis and correlation coefficient were used. These analyses aided in identifying the significance of the independent variables' impact on the implementation of VBC and helped quantify them.

## FINDINGS AND DISCUSSION

The findings and discussion section of this research paper presents the results obtained from the collected data and explores their implications. This section aims to provide a comprehensive analysis of the data, linking it back to the research objectives and hypotheses. The discussion will interpret the significance of the findings, highlighting key trends, relationships, and patterns. Additionally, the insights gained from this analysis will be used to draw meaningful conclusions and provide practical recommendations for the role of nursing leadership in the successful adoption of VBC.

### Sample Profile

The questionnaire incorporated four demographic variables, which are age, gender, years of experience, and current role in the healthcare facility. Collecting demographic data in a questionnaire is essential for understanding the sample profile.

Table 1 shows the demographic data of the surveyed respondents. Gender distribution among the respondents shows higher responses from females than males, where 78.7% were females and 21.3% were males. 12.2% ranged from 18 to 29 years, 36.7% were between 30 to 39 years, 39.1% were between 40-49 years, and 12% were above 50 years. 14.1% had experience from 0 to 5 years, 21% had experience from 6 to 10 years, and 26.9% had experience from 11 to 15 years. 38% had more than 15 years of experience. The majority of the respondents were staff nurses with 55.6%, where 10.4% were nurse managers or leaders, 16% presented nurse directors, and 18.1% were distributed among other nursing functions.

**Table 1: Demographic Data**

Demographic Data					
Gender		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	80	21.3	21.3	21.3
	Female	296	78.7	78.7	100.0
	<b>Total</b>	<b>376</b>	<b>100.0</b>	<b>100.0</b>	
Age	18-29	46	12.2	12.2	12.2
	30-39	138	36.7	36.7	48.9
	40-49	147	39.1	39.1	88.0
	>50	45	12.0	12.0	100.0
	<b>Total</b>	<b>376</b>	<b>100.0</b>	<b>100.0</b>	
Years of Experience	0-5 years	53	14.1	14.1	14.1
	6-10 years	79	21.0	21.0	35.1
	11-15 years	101	26.9	26.9	62.0
	>15 years	143	38.0	38.0	100.0
	<b>Total</b>	<b>376</b>	<b>100.0</b>	<b>100.0</b>	
Role	Staff Nurse I	209	55.6	55.6	55.6
	Manager/Lead er	39	10.4	10.4	66.0
	Director	60	16.0	16.0	81.9
	Other	68	18.1	18.1	100.0
	<b>Total</b>	<b>376</b>	<b>100.0</b>	<b>100.0</b>	

**Reliability Test**

Cronbach's alpha is used to measure internal consistency, which gauges how well a set of questions measures a single variable. As shown in Table 2 Cronbach's alpha is 0.988 which is more than 0.7. Therefore, the questionnaire is reliable and the data

collected is dependable. Below is the reliability test with each variable at a time.

All studied variables had a Cronbach's Alpha greater than 0.7 indicating the reliability of the questionnaire utilized in this research as shown in Table 3.

**Table 2: Cronbach's Alpha**

Reliability Statistics	
Cronbach's Alpha	N of Items
.988	30

**Table 3: Reliability Test**

Reliability Statistics		
Variable	Cronbach's Alpha	N of Items
Nursing Leadership Skills	.967	6
Employee Engagement	.942	6
Change Management Skills	.956	6
Organizational Culture	.967	6
Value-Based care Implementation	0.971	6

**Regression Analysis**

**Table 4: The regression analysis was applied to identify the relationship among variables after finding a strong correlation among them**

Independent Variable	Standard Error	$\beta$ (Standardized)	p-value	R Square
Nursing Leadership (NLS)	0.025	0.873	< .001	0.763
Employee Engagement (EE)	0.030	0.824	< .001	0.679
Change Management Skills (CMS)	0.020	0.919	< .001	0.845
Organizational Culture (OC)	0.018	0.937	< .001	0.879

**Regression analysis between Nursing Leadership Skills and VBC**

The model summary shown in Table 5 provides key statistics about the regression model used to examine the relationship between VBC and Nursing Leadership Skills. The regression analysis revealed that the p-value is less than 0.001, indicating statistical significance. The beta coefficient of 0.873 signifies a strong positive relationship between the implementation of VBC and nursing leadership skills. Therefore, the regression analysis supports Hypothesis 1, demonstrating a positive relationship between the implementation of VBC and Nursing Leadership Skills. Specifically, 76.3% of the variation in VBC implementation can be explained by nursing leadership skills, highlighting the significant impact of nursing leadership on the successful adoption of VBC practices.

**Regression Analysis Between Employee Engagement and VBC**

The regression analysis in Table 5 demonstrates a significant, and a positive relationship between Employee Engagement and the implementation of VBC (P value < .001,  $\beta$  0.824). Explaining 67.9% of the variation in VBC, the model highlights that maintaining high employee engagement is pivotal to implementing VBC effectively. This emphasizes the role of engaged employees in driving the success of VBC initiatives

within healthcare organizations. Thus hypothesis 2 is proved to be correct.

**Regression Analysis Between Change Management Skills and VBC**

The regression analysis shown in Table 5 supports hypothesis 3, which indicates a positive relationship between Change Management Skills and the implementation of VBC. The P-value is less than 0.001, which indicates its significance. The beta coefficient of 0.919 indicates that stronger change management skills significantly enhance the implementation of VBC. The model explains 84.5% of the variation in VBC, highlighting the critical role that effective change management skills play in adopting and sustaining VBC practices within healthcare organizations. This finding highlights the importance of developing robust change management capabilities to drive successful VBC initiatives.

**Regression Analysis Between Organizational Culture and VBC**

The regression analysis in Table 5 supports hypothesis 4 that there is a positive relationship between Organizational Culture and the implementation of Value-Based Care (VBC), and is highly significant with a p-value less than 0.001. The beta coefficient of 0.937 indicates that a stronger organizational culture

significantly enhances the implementation of VBC. The model explains that 87.9% of the variation in VBC, is affected by the critical role that a positive organizational culture plays in adopting and sustaining value-based care practices within healthcare organizations.

**Discussion**

In this section, the study hypotheses will be thoroughly discussed to confirm if they were supported or refuted based on the findings of the regression analyses and in comparison, with the previous studies discussed earlier. Table 5 shows the hypotheses testing results and their alignment with the previous studies utilized to develop those hypotheses.

**Table 5: Hypotheses Testing Results and its Alignment with Previous Studies**

Hypotheses	Result	Finding	Comparison with previous studies
H1	Accepted	significant positive relationship between nursing leadership skills and the implementation of VBC ( $\beta = 0.873, p < 0.001$ )	Leadership skills has a positive impact on the implementation of VBC and is supported by several studies (Cornell, T. 2020; Walsh <i>et al.</i> ,2020; Nilsson <i>et al.</i> ,2018; Teisberg <i>et al.</i> ,2020; Nilsson & Sandoff 2017; Zipfel <i>et al.</i> ,2019; Daniels <i>et al.</i> ,2022.)
H2	Accepted	Significant and positive relationship between employee engagement and the implementation of VBC ( $\beta = 0.824, p < 0.001$ )	Employee engagement has a positive impact on the implementation of VBC and is supported by several studies (Nilsson <i>et al.</i> ,2018; Daniels <i>et al.</i> ,2022.)
H3	Accepted	A significant positive relationship between change management skills and VBC implementation ( $\beta = 0.919, p < 0.001$ )	Change management skills has a positive impact on the implementation of VBC and is supported by several studies (Nilsson <i>et al.</i> ,2018; Teisberg <i>et al.</i> ,2020)
H4	Accepted	significant positive relationship between organizational culture and VBC ( $\beta = 0.937, p < 0.001$ )	has a positive impact on the implementation of VBC and is supported by several studies (Nilsson <i>et al.</i> ,2018; Teisberg <i>et al.</i> ,2020; Nilsson & Sandoff 2017; Zipfel <i>et al.</i> ,2019.)

The first hypothesis suggests that nursing leadership skills have a significantly positive impact on the implementation of VBC. This hypothesis was validated through the analysis conducted in this study, which demonstrated a significant and positive relationship between nursing leadership skills and VBC implementation, with a beta coefficient of 0.873 and a p-value of less than 0.001. This supports Hypothesis 1 and underscores the critical role of effective nursing leadership in driving the adoption and success of VBC initiatives. The finding is consistent with the body of research reviewed, which emphasizes the importance of strong nursing leadership in achieving successful healthcare outcomes. For example, studies by Cornell (2020), Walsh *et al.*, (2020), Nilsson *et al.*, (2018), Teisberg *et al.*, (2020), Nilsson and Sandoff (2017), Zipfel *et al.*, (2019), and Daniels *et al.*, (2022) have all highlighted that robust leadership skills are essential for the effective implementation of VBC. These studies collectively suggest that leaders who possess strong skills in communication, strategic planning, and change management can significantly enhance the adoption of VBC by fostering a supportive and innovative organizational culture. Effective nursing leaders are able to navigate the complexities of healthcare systems, inspire and motivate their teams, and implement strategies that align with the principles of VBC. By doing so, they ensure that patient care is not only efficient but also centered around delivering high-quality outcomes. This involves continuous monitoring and improvement

of care processes, engaging in interdisciplinary collaboration, and maintaining a patient-focused approach. The positive impact of nursing leadership on VBC implementation highlights the necessity for ongoing leadership development and training programs to equip nurse leaders with the competencies needed to spearhead transformative healthcare initiatives successfully.

The second hypothesis posits that employee engagement positively impacts the implementation of VBC. This hypothesis was validated through the statistical analysis conducted in this study, which revealed a significant and positive relationship between employee engagement and VBC implementation, indicated by a beta coefficient of 0.824 and a p-value of less than 0.001. These findings confirm Hypothesis 2, aligning with the literature review that underscores the pivotal role of engaged employees in the success of value-based healthcare initiatives. The correspondence with previous research is clear. Studies by Nilsson *et al.*, (2018) and Daniels *et al.*, (2022) have emphasized that higher levels of employee engagement contribute to more effective and successful implementation of VBC. Engaged employees are more likely to be committed to organizational goals, proactive in their roles, and motivated to deliver high-quality patient care. This proactive and motivated approach is essential for the dynamic and collaborative environment required for

VBC, which focuses on improving patient outcomes through efficient and coordinated care.

The third hypothesis proposes that change management skills positively impact the implementation of VBC. This hypothesis was validated in this study, with the analysis revealing a significant and positive relationship between change management skills and VBC implementation, indicated by a beta coefficient of 0.919 and a p-value of less than 0.001. These results confirm the importance of change management skills in successfully adopting VBC, aligning with the findings discussed earlier. Research by Nilsson *et al.*, (2018) and Teisberg *et al.*, (2020) underscores that effective change management is crucial for implementing new healthcare practices. Change management involves planning, executing, and overseeing changes within an organization to ensure smooth transitions and minimal disruptions. In the context of VBC, change management skills are vital for addressing the complexities of transitioning to a value-based approach, which often requires significant shifts in processes, behaviors, and mindsets.

The fourth hypothesis posits that organizational culture plays a significantly positive role in the implementation of VBC. The results of this study support this hypothesis, demonstrating a significant and positive relationship between organizational culture and VBC implementation, with a beta coefficient of 0.937 and a p-value of less than 0.001. This finding aligns with the literature review conducted earlier, which underscores the critical importance of a supportive organizational culture in successfully implementing value-based care. A positive organizational culture fosters an environment where collaboration, innovation, and continuous improvement are encouraged. In the context of VBC, such a culture is essential as it aligns the entire organization toward a shared vision of providing high-quality, patient-centered care. A supportive culture ensures that all staff members are engaged, motivated, and committed to the goals of VBC, facilitating smoother transitions and more effective implementation of new practices. Previous studies have highlighted that a strong organizational culture can significantly enhance the adoption of VBC. For example, research by Nilsson *et al.*, (2018) and Teisberg *et al.*, (2020) indicates that organizations with a positive culture are better equipped to embrace change, overcome resistance, and sustain improvements in patient care. A culture that values teamwork, open communication, and employee empowerment can lead to higher levels of engagement and collaboration, which are crucial for the successful implementation of VBC.

In conclusion, the regression analysis supports all four hypotheses, demonstrating the critical roles of nursing leadership skills, employee engagement, change management skills, and organizational culture in the implementation of Value-Based Care. These findings

align with previous research discussed in providing a robust framework for understanding the factors that drive successful VBC practices in healthcare organizations.

## CONCLUSION AND RECOMMENDATIONS

### Conclusion

The findings of this research provide significant insights into the relationship between VBC and various organizational and leadership factors, stressing the importance of effective nursing leadership skills, employee engagement, change management skills, and organizational culture in the successful implementation of VBC. Utilizing a quantitative approach, the study employed regression analysis to explore these relationships based on data collected through structured questionnaires from nursing healthcare professionals. The results revealed strong positive correlations between VBC and the examined factors, demonstrating that nursing leadership skills, employee engagement, change management skills, and organizational culture significantly contribute to the effective implementation of VBC, thereby underscoring the need for investing in the development of nursing leaders who can drive these critical aspects. It also suggests that all the independent variables tested (leadership skills, employee engagement, change management skills, and organizational culture) are interconnected and positively correlated where one can directly impact the other. Additionally, the study posits that nursing leadership skills are a key factor in the implementation of VBC and can also positively influence the rest of the variables.

### Theoretical Implications

This study significantly enriches the existing body of knowledge by demonstrating the strong correlations and interconnected relationships between nursing leadership skills, employee engagement, change management skills, organizational culture, and the implementation of VBC. It underscores the pivotal role that effective leadership plays in healthcare reform, as evidenced by Nilsson and Sandoff (2017) and Walsh *et al.*, (2020). Moreover, it highlights the critical influence of organizational factors in driving successful healthcare practices, as supported by the works of Nilsson *et al.*, (2018) and Ng (2022).

The findings of this study align with and support previous literature, which collectively illustrates the positive impact of these variables on each other as discussed in previous studies by Cornell (2020), Teisberg *et al.*, (2020), Zipfel *et al.*, (2019), and Daniels *et al.*, (2022), who have all highlighted the synergistic effects of these elements in fostering sustainable healthcare improvements.

By providing empirical evidence of these relationships, this study supports the notion that strong, competent nursing leadership, coupled with a supportive organizational culture, is essential for effective change management and employee engagement. These elements

are crucial for the successful implementation of VBC, which aims to improve patient outcomes while reducing costs. The study's findings suggest that to achieve meaningful healthcare reform, organizations must invest in developing leadership capabilities and nurturing a positive organizational culture that embraces change and values employee contributions. This comprehensive understanding offers valuable insights for healthcare administrators and policymakers striving to enhance the quality and efficiency of healthcare delivery.

### Practical Implications

Practically, the findings suggest that healthcare organizations should invest in leadership development programs, foster a positive organizational culture, and enhance employee engagement and change management capabilities to successfully implement VBC. The study also suggests that those variables are interconnected and the implementation of one can affect the other. Nursing leadership skills play a crucial role in the effective implementation and enhancement of other variables, thus significantly impacting the adoption of VBC. Considering these findings, it is essential to invest in the development of leaders who can effectively engage staff, facilitate smooth transitions, and foster an organizational culture that values and supports VBC initiatives. These efforts can lead to improved patient outcomes, higher employee satisfaction, and more efficient healthcare delivery systems. Thus, enhancing the successful implementation of VBC, while providing optimal care at the minimum cost.

### Limitations and Further Research

Despite its valuable contributions, this study has several limitations. Firstly, the sample size was limited to a specific geographic area, potentially affecting the generalizability of the findings. To address this, future research should consider larger, more diverse samples. Secondly, this study utilized a cross-sectional design, capturing data at a single point in time, which restricts the ability to draw causal inferences and understand changes over time. Future studies should adopt longitudinal designs to capture temporal changes and establish causal relationships. Furthermore, the study focused on specific variables such as nursing leadership skills, employee engagement, change management skills, and organizational culture, while other significant factors, like technological advancements and patient perspectives, are crucial in evaluating the success of VBC. Future research should explore the impact of these unexamined variables on VBC implementation specifically patient feedback and outcomes that would provide a more comprehensive evaluation of the VBC successful implementation. Lastly, while organizational culture was examined, other organizational factors such as policies, resource allocation, and leadership structures may also influence VBC implementation. Future research should investigate these additional elements to identify further facilitators or barriers to successful VBC adoption. By addressing these limitations and

incorporating the suggested recommendations, future research can provide a more accurate and comprehensive understanding of the nursing leaders' roles and the arising factors that drive successful VBC implementation in healthcare organizations.

### Contribution of the Study

This study's primary contribution lies in its comprehensive analysis of the factors influencing the implementation of VBC. By identifying the significant impact of nursing leadership skills, employee engagement, change management skills, and organizational culture, this research provides actionable insights for healthcare administrators and policymakers aiming to enhance the quality and efficiency of care through VBC models.

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