MEASURING THE MEDIATING ROLE OF PROJECT MANAGEMENT BETWEEN TOTAL QUALITY MANAGEMENT AND ORGANISATIONAL SUCCESS IN SULTANATE OF OMAN

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Abstract:
The current study aimed to measure the mediating role of project management between TQM and Organisational success relationship in Agriculture and Fisheries. Data were collected through a self-administered questionnaire from the various Agriculture and Fisheries companies operating in Sultanate of Oman. For hypothesis testing, SEM was employed. The finding indicates having a full mediation in the model. The emergence of internet technology has led to tremendous changes in Organisational structure and impact on project management towards Organisational success. Many companies are trying in this competitive market to be successful in their product offerings by given the customer with the best possible experiences. As a result, managers, and CEOs are concerned about taking the right direction to introduce new training to manage their qualified employees. Nonetheless, this study is more concerned about TQM and project management towards Organisational success from the Oman Agriculture and Fisheries perspective. Conversely, to be successful in this competitive market, all companies must care about their employees.

Keywords: project management, TQM, organisational success, agriculture and fisheries, Sultanate of Oman

1. Introduction

The Agriculture and Fisheries in Sultanate of Oman continued to be one of the most critical foreign revenue earners, contributing to the expansion of the country’s assets and reinforcing the improvement of economic reform. In Oman, Agriculture and Fisheries are considered as one of the most vital segments of the country’s economy. According to Attar (2014, p. 36), “the Agriculture and Fisheries sector will continue to be at the forefront of Oman’s economic development. This sustainable and high-yield sector will
continue to drive the Oman economy, providing income and job opportunities to the people”. In this aspect, Oman has dramatically benefited from Agriculture and Fisheries (Attar, 2014). In order to cope with the ever increasing pressure of globalisation, and to remain competitive, the Oman government has consistently supported the Agriculture and Fisheries with all the available infrastructural and financial facilities at its disposals. Globally, Agriculture and Fisheries are considered as one of the fastest growing sectors due to its light weight, corrosion resistance and higher electrical conductivity (Al Suwaidi, 2014).

Besides, the scientific and technological development and accelerated economic growth today have increased the competition and challenges among Organisations at the local as well global level (Festing, Kornau & Schäfer, 2014; Azam and Moha Asri, 2015; Tham et al., 2017; Udriyah et al., 2019). The requirements of the modern era of quality and excellence have led those Organisations for possession of a unique type of human capital that is highly skilled, qualified and knowledgeable (Guthridge, Komm & Lawson, 2008). This provides a guarantee to those Organisations for their sustainability and to compete globally as the human capital is able for creativity, excellence and innovation (Haghparast et al., 2012; Haque et al., 2014; Rachmawati et al., 2019; Tarofder et al., 2019).

Globalisation and demographic changes are posing new challenges for Oman Agriculture and Fisheries that compete globally (Saadi, 2013), a dramatic theme introduced by Michaels, Handfield-Jones and Axelrod (2001). Like other countries, companies operating in Oman, the demand for qualified employees have increased, and global competition seems to be challenging in finding the quality to manage global operations (Singh & Sharma, 2015; Azam et al., 2014; Haur et al., 2017; Tarofder et al., 2017; Katukurunda et al., 2019). For most companies to extend globally, the shortage of supply of skilled and qualified human capital is a significant issue. This has warned local companies to develop their employees within their Organisation and prepare them to fill any position in the coming future (Mashood et al., 2009; Jayasuriya and Azam, 2017; Dewi et al., 2019; Nguyen et al., 2019). Therefore, many companies in Oman has created external quality programmes from hiring, acquiring and recruiting external local quality to understand the Organisation needs and to add value to the Organisation for long term (Al Suwaidi, 2014; Maghfuriyah et al., 2019; Pushpakumara et al., 2019). In the past, most companies in Oman have relied heavily on expertise and western employees to fill any position (Singh & Sharma, 2015). However, the scenario has changed. A lot of researchers and HR professional has realised the importance of project management for the modern Organisations rather than relying on the foreign expatriates to manage their human capital effectively for sustaining effectively as well as competing globally (North, 2011; De Silva et al., 2017; Kuruwitaarachchi et al., 2019; Pambreni et al., 2019).

From this fact, the investment in quality management became an essential part of the Organisations’ strategies in order to be able to compete globally. Therefore, it is necessary to pay attention to the qualified human elements in contemporary
Organisations as it is the most critical elements of excellence and success. Besides, changes and developments in technology and economy create new issues in the field of quality management as the Organisation alone cannot deal with these challenges without considering an investment in qualified human capital. As such, this study aims to measure the mediating role of project management between TQM and Organisational success relationship at the Agriculture and Fisheries in Oman.

2. Literature Review

2.1 Total quality management (TQM)
TQM has grown as the key and most integral portion of organisations. It involves mostly in the managerial functions of hiring, firing and payroll. Thus, it deals with employees’ satisfaction and legal compliance (Noe et al., 2010). According to Boxall and Purcell (2008), TQM can be defined as “All those activities associated with the management of people in firms.” (p. 5). Also, Noe et al. (2010) defined TQM as “a philosophy, policy, system and practices that can affect the behaviour, attitudes and performance of employees.”

The elements of TQM practice includes hiring and firing of employees, training activities to develop employees’ efficiency, promotion, working conditions, fringe benefits and salary. Cania (2014) investigated the relationship between Organisational work environments and job satisfaction and found that Organisational work environments have a greater influence on employee commitment which tent for higher job satisfaction level among workers. Additionally, Deb (2006) showed that there is a positive relationship between job satisfaction and communication within the Organisation towards employee commitment. Thus, in order to improve employee’s productivity and performance, communication among the Organisation is essential which will increase teamwork (Downs & Swailes, 2013). Other research related to decision making and the relation with job satisfaction and the research found there are positive relationships between these two variables of decision making and job satisfaction (Boxall & Macky, 2014). Moreover, based on research conducted by Cappelli (2008), it was found that motivator and hygiene and salary, co-worker, and promotion are parts of important area affecting job satisfaction.

2.2 Organisational Success
Organisational success refers to how the company or organisation is doing in terms of the current business market. However, having an efficient performance, the organisation can be successful for profit making. The human management process is vital for an organisation, and employee motivation also can be generated because of the right selection of quality management (Iqbal et al., 2013). For the high and expected success, as it is told earlier, quality management is the root of everything. For Agriculture and Fisheries, yet this is not a sufficient circumstance for effective
performance. This system by the managers and employees is the most vital concern with any organisational performance management system (Mohamad & Lo, 2009).

Concentrating towards the success and the whole process of performance management, Agriculture and Fisheries can claim that, organisational success is all about perfection, growth, harmonisation, improvement in terms of technology, competitive advantage to articulate perceive value for the customer along with economic value creation (Leopold & Harris, 2009). However, the extent of success is vast for the industry standpoint that is the reason for an enterprise to the observed performance management system (Cokins, 2009). Agriculture and Fisheries view success as effective management and a solid understanding of the recital sphere of influence relative to other companies, which may explain as comprehending the responsibilities and of their job description with the organisation (Robert, 2003).

The organisation’s abilities to form a centre of consideration, growth and progress, attracting and developing are a vital part of any organisation. Therefore, it is crucially important and comprehends that for the success of any organisation focusing on total quality management is essential (Leopold & Harris, 2009; Longenecker & Fink, 2011; 2012).

2.3 Project management (PM)
According to Lewis and Heckman (2006), project management is interchangeably used with other terms such as “succession management”, “quality strategy” and “human planning”. As a basis, project management is concerned with effective employee project management. Differences of terms provided in the literature somehow have a sharp contrast in the definition of project management, either on the processes or decision alternatives (Guthridge et al., 2008). Qualified individuals are considered to deliver and perform or believed to have to deliver on higher contribution to the Organisation compared with other employees, in whatever position or sector in any industry (Vaiman et al., 2012). The quality possesses by the individual are considered obsolete and could not acquire by others easily or require more monetary investment and time to develop an individual with specific quality (Downs & Swailes, 2013).

In many companies, there are many opportunities and areas for project management development. The skills and expertise of employees who are experts in their particular area are deemed significant for enhancing project management (Danish & Usman, 2010). Among the factors that influence the construction of quality among individuals are the leadership based gender, practices of gendered speech and personal attractiveness (Downs & Swailes, 2013). Several key individuals must be involved in ensuring the flowing of knowledge in Agriculture and Fisheries (Whelan et al. 2010). By useful knowledge determinants, Agriculture and Fisheries can develop individual or groups that are qualified in a specific area of knowledge. The steps have been taken by the Oman government as well as the local companies in Oman by sending staffs to various training locally and overseas (Mashood et al., 2009). By doing such steps, the pool of quality is a specific area of knowledge can be created and enhanced further.
Many employees have benefited by these initiatives which altogether can elevate the status of Oman as the hub for Agriculture and Fisheries in the Arab region (Al Suwaidi, 2014). Therefore, project management in Agriculture and Fisheries can contribute to the country’s economic development.

Effective Project management (TM) can help an Organisation to accumulate core quality, build corporate intelligence and gain a competitive edge (Maloney, 1997). Organisations are fast adopting TM to harvest the benefit of internal and external quality, made possible by the availability of new information technology and communication tools, primarily upon the evolution of internet area. However, TM is not just a tool, and the implementation of TM does not stop upon completion of the User Acceptance sign-off. The next challenges in TM are how to improve quality sharing and collaboration among the many quality contributors in the Organisation. Bailey, Madden, Alves, Shantz and Soane (2017) explain how Organisations seek to manage the meaningfulness employees experience through strategies focused on job design, leadership, TQM and culture. Employees can respond positively to employers’ strategies aimed at raising their level of experienced meaningfulness when they are felt to be authentic (Krishnana & Scullion, 2017). However, when meaningfulness is lacking, or employees perceive that the employer is seeking to manipulate their meaningfulness for performative intent, then the response of employees can be to engage in “existential labour” strategies with the potential for harmful consequences for individuals and Organisations (Glaister et al., 2017). Moreover, this study will test the following hypotheses in the Agriculture and Fisheries context in Oman.

H1: There is a significant positive relationship between TQM and organisational success.

H2: There is a significant positive relationship between TQM and TM.

H3: There is a significant positive relationship between TM and organisational success.

H4: There is a significant positive relationship between the TQM and organisational success mediated by TM.

3. Methodology

In this study, phase one was exploratory research type while phase two has been identified as descriptive. Each of these types has distinct and complementary roles to play in this research. Exploratory research focuses on primary or secondary data. The main sources of the exploratory research were academic journals, books and other printed as well as online materials. This study employed a survey method for some reasons such as to get a holistic perception of respondent and to know the actual scenario of Agriculture and Fisheries. These can be related to lower operational costs, minimisation of possible researcher’s bias, and maximisation of the possibility of a higher degree of objectivity and usefulness for hypotheses testing. The unit of analysis was based on the organisation. Data were collected through a self-administered
questionnaire from the various Agriculture and Fisheries companies operating in Oman. The respondents for this study were the employees working at various Agriculture and Fisheries companies in Oman. A total of 300 questionnaires were randomly distributed out of which 242 returned questionnaires were found valid for further analysis.

Beside, classification of Agriculture and Fisheries workforce can be divided into different categories. The first category consists of employees who are experienced and working for a minimum of ten years. The second category consists of middle managers who are experienced in more than five years. The third category consists of people whose experience must be not less than three years. Finally, the last category consists of people whose experience must be no more than three years. In this study, data analysis was done in four stages. In the first stage, the collected data were coded and entered into SPSS worksheet. Stage two involves testing validity, reliability and exploratory factor analysis (EFA) using SPSS. In stage three, further statistical tests were conducted; such as confirmatory factor analysis (CFA), reliability, and validity using Amos. The last stage employed SEM for the model and hypotheses testing.

4. Results and Discussion

To test the proposed theoretical model hypothesised in this study, Structural Equation Modelling (SEM) was employed. For the assessment of the structural path relationships among the identified variables for this study, three distinct criteria have been applied based on the suggestions provided by many scholars (Byrne, 2016; Hair et al., 2010; Kline, 2015). A proposed model has been compared with the null model holding the assumption that no relationship exists between the important measures. Figure 1 illustrates the Goodness of Fit (GOF) values that have been attained from the SEM model for this study. It indicates that the fitness index for the SEM model is achieved [Absolute fit (RMSEA) = .079, Incremental fit (CFI) = .961, (GFI) = .953; and Parsimonious fit (ChiSq/df) = 3.114].
For the overall model as a whole, the statistical result indicates a good fit. The complete model inclusive of the hypothesised paths is illustrated in Figure 1 and Table 1. From the model, it can be seen that all the variables uphold a positive significance.

Table 1: Hypothesis Testing

<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
</tr>
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<tbody>
<tr>
<td>Project management (TM)</td>
<td>&lt;--- TQM</td>
<td>.374</td>
<td>.075</td>
<td>10.268 ***</td>
</tr>
<tr>
<td>Organisational Success (OS)</td>
<td>&lt;--- TQM</td>
<td>.342</td>
<td>.087</td>
<td>1.635 ***</td>
</tr>
<tr>
<td>Organisational Success (OS)</td>
<td>&lt;--- Project management (TM)</td>
<td>.530</td>
<td>.110</td>
<td>1.635 ***</td>
</tr>
</tbody>
</table>

According to Byrne (2016), before testing the mediation between the constructs, the researchers first need to check if all the relationships among the constructs are statistically significant (TQM → OS, TQM → TM, and TM → OS). If all the relationship is statistically significant, then it can be assumed that there is a partial mediation occurs. However, if any of the relationships are not statistically significant, then it can be assumed that there is a full mediation. Therefore, no further tests are required.

In this case, to confirm the types of mediation (full or partial mediation), this study has tested the relationship presented in Figure 1 and Table 1. It can be observed that the path coefficient between TQM and organisational success is positive 0.37. The path coefficient between TQM and project management is also positive 0.34. Finally, the
path coefficient between project management and Organisational success is also positive 0.53. Hence, this indicates having a full mediation in the model.

Past studies conducted on the relationship between TQM and organisational success has found a significant positive relationship between these two variables (e.g. Alagaraja, 2013; Huselid, 2011; Sheehan, 2014; Silva, 2014). Besides, studies conducted on the relationship between TQM and project management have also found a significant positive relationship between these variables (e.g. Boxall & Macky, 2014; Dearden et al., 2006; Nankervis et al., 2009; Raj & Kothai, 2014; Wright et al., 2005; Yeung & Berman, 1997). Adding to this, this study was intended to test the mediating role of project management between TQM and organisational success in the Oman Agriculture and Fisheries context; thus, significantly contributes to the body of knowledge.

5. Conclusion

This study also highlighted that TQM and project management strongly influence organisational success. It should be noted that these elements and success are interlinked variables and these are counted as the critical factors in moving the organisation forward (Tham et al., 2017; Udriyah et al., 2019). If the employee attitude and behaviour towards the organisation is not positive, the outcome cannot be positive. Appropriate job training motivates employees towards increased productivity where both the employees and the employers share the results.

On the other hand, the emergence of internet technology has led to tremendous changes in Organisational structure and impact on project management towards Organisational success. Many companies are trying in this competitive market to be successful in their product offerings by given the customer with the best possible experiences. As a result, managers, and CEOs are concerned about taking the right direction to introduce new training to manage their qualified employees. Nonetheless, this study is more concerned about TQM and project management towards Organisational success from the Oman Agriculture and Fisheries perspective. Conversely, to be successful in this competitive market, all companies must care about their employees.

Due to limited scholarly literature available from the Agriculture and Fisheries perspective, this research started with reviewing the current literature on TQM and project management and their role in organisational success. From there, this research narrowed down to specific TQM and project management issues related to Agriculture and Fisheries which was the primary purpose of this research. In the process of doing so, this research has explored that although that project management is a subset of the TQM process. Moreover, active management will lead towards organisational success. This also helps to bridge the gap in the existing literature, because empirical evidence is limited in the context of Oman in this particular field.
Therefore, a proper and effective TQM practice can aid in stimulating favourable employee outcomes which in turn, enriches the in-role and extra-role behaviour of the employees. The impact or influence of effective management on employee’s motivation and job satisfaction is long passed a debate as there are clear evidence and many practical examples that have proven that without effective HR policies; companies and the employees will be having a tough time managing their employees for better productivity.

References


