



**Arab American University  
Faculty of Graduate Studies**

**Total Quality Management, Employee Outcomes, and Environmental  
Uncertainty: Unveiling the Dynamic Nexus for Sustainable Organizational  
Performance in Palestinian Service Sector**

By

**Lina Thabet**

Supervisor

**Dr. Mohammad Othman**

**This thesis was submitted in partial fulfillment of the requirements for the  
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## Thesis Approval

### **Total Quality Management, Employee Outcomes, and Environmental Uncertainty: Unveiling the Dynamic Nexus for Sustainable Organizational Performance in Palestinian Service Sector.**

By  
**Lina Thabet**

This thesis was defended successfully on February 26, 2024 and approved by:

Committee members

Signature

1. Dr. Mohammad Othman: Supervisor

2. Dr. Ashraf Mimi: Internal Examiner

3. Dr. Yahya Salahat: External Examiner

## Declaration

I am the undersigned who submitted the thesis entitled:

Total Quality Management, Employee Outcomes, and Environmental Uncertainty:  
Unveiling the Dynamic Nexus for Sustainable Organizational Performance in Palestinian  
Service Sector

I declare that this thesis represents my work, which has been done after registration for the master's degree in AAUP and has not been submitted, in whole or in part, in any previous application to this or any other institution for a degree, diploma or other qualifications, except where due reference has been made in the text.

The Name of The Student: Lina Thabet

ID: 202012286

Signature: 

Date: 25/9/2024

## **Dedication**

To my grandmother

My parents, my husband, my brother and sisters

To my family and friends

## **Acknowledgement**

First of all, I pen down my deepest appreciation to God Almighty for the strength and health you granted me throughout the journey of completing my thesis.

Special thanks to Dr. Mohammed Othman, my thesis' supervisor, for his time, effort, and understanding in helping me succeed in my studies. This thesis would not have been possible without his invaluable advice, continuous support and patience.

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## **Abstract**

Total quality management (TQM) has been identified as an essential pillar of organizational performance, competitive advantage, and excellence. TQM follows a systematic approach that aims to achieve long-term organizational goals, and it is believed to be applicable in manufacturing and service sectors. In this study, TQM has been investigated to understand its contributions to the Sustainable organizational performance (SOP) and employee outcomes (EMO) in the context of the Palestinian service sector. In today's business environment, SOP has become of a great interest and gain a high priority; it is the corner stone of the business survival. On the other hand, this study adopts EMO to highlight the role of employees in the organization. TQM and human resource management (HRM) intersect in the role of developing human resource practices. Many TQM elements involve human factors, such as employee involvement and empowerment, teamwork, internal communication, and management support. TQM is context-dependent. Different contextual factors play a role in the success degree of TQM implementation and it will be risky to accept a standardized conceptualization of any TQM model. This research assesses the contingent effect of environmental uncertainty on the relationship between EMO and SOP. Different theories have been adopted in this research, including quality management theory, resource-based view theory (RBV), the ability, motivation, and opportunity model (AMO), and contingency theory, to theorize the relationships between the research variables. This study provide some beneficial insights that highlights the major role that TQM practices play in improving EMO and SOP, which reflects on customer satisfaction and other organizational aspects. It also show the effect of EU on organizations. Causal research was conducted to

investigate the relationships between research variables. Quantitative data underlying this study was collected using questionnaires. The responses of 123 high-level employees from different Palestinian service sectors were collected and analyzed using the partial least squares structural equation modeling (PLS-SEM). It was found that TQM practices positively affect employee outcomes and SOP. It was also proved that environmental uncertainty moderates the relationship between EMO and SOP. On the other side, the results indicate a negative relationship between employee outcomes and sustainable organizational performance. It also shows that employee outcomes do not mediate the relationship between TQM and SOP. This study contributes to TQM and HRM literature, and provides a beneficial insights about SOP and EMO improvement through the adoption of TQM practices. Some limitations faced the implementation of the research including the political situation in the West Bank and Gaza Stripe that obstruct the data collection process. Further future researches are suggested to cover other contextual aspects using different contingent variables, other future researches could also consider a broader range of respondents to get a broader understanding of this topic.

**Keywords:** Total Quality Management (TQM), employee outcomes (EMO), ability-motivation-opportunity (AMO), sustainable Organizational performance (SOP), environment uncertainty (EU), Palestinian service sector.

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### List of Abbreviations

|       |  |
|-------|--|
| AB    | Ability  |
| AMO   | Ability, Motivation and, Opportunity Model     |
| CA    | Cronbach's alpha                               |
| CF    | Customer Focus                                 |
| CR    | Composed Reliability                           |
| CT    | Contingency Theory                             |
| Eco   | Economic Performance                           |
| EMO   | Employee outcomes                              |
| EP    | Environmental Performance                      |
| EU    | Environment Uncertainty                        |
| $f^2$ | The Effect Size                                |
| GDP   | Gross Domestic Product                         |
| GOF   | Goodness of Fit                                |
| HRM   | Human Resource Management                      |
| IA    | Information and Analysis                       |
| ISO   | International Organization for Standardization |

|                |   |
|----------------|---|
| L              | Leadership  |
| LE             | Learning  |
| MBNQA          | Malcolm Baldrige National Quality Award                   |
| MO             | Motivation  |
| NFI            | Normed Fit Index  |
| OP             | Opportunity   |
| PCBS           | Palestinian Central Bureau of Statistics                  |
| PLS-SEM        | PLS-SEM Partial Least Square Structural Equation Modeling |
| PM             | Process Management  |
| Q <sup>2</sup> | The Predictive Relevance                                  |
| QM             | Quality Management  |
| R <sup>2</sup> | The Coefficient of Determination                          |
| RBV            | The Resource-Based View                                   |
| SOP            | Sustainable Organizational Performance                    |
| SP             | Social Performance  |
| SRMR           | Standardized Root Mean Square Residual                    |
| SrP            | Strategic Planning  |

|      |                           |
|------|---------------------------|
| TQM  | Total Quality Management  |
| UND  | Dynamism                  |
| UNH  | Hostility                 |
| UNHE | Heterogeneity             |
| UNM  | Munificence               |
| VIF  | Variance inflation factor |

# Chapter One

## Introduction

### 1.1 Overview

This chapter presents the background of the research in the first section, followed by the problem statement, goals, significance of the study, and research questions and hypotheses in the second section. In the last section, the thesis structure is addressed.

### 1.2 Background

#### 1.2.1 TQM & Performance

Total Quality Management (TQM) has gained wide acceptance for creating competitive advantage and improving performance (El Shenawy et al., 2007). It is an independent system that pairs with other organizational assets to generate competitive advantages (Hackman & Wageman, 1995). The literature is rich in research and points of view on the relationship between TQM and performance, showing the impact of TQM on performance in different terms, such as customer satisfaction and employee satisfaction (Kaur & Sharma, 2014), financial performance (Corredor & Goni, 2010; Nicolau & Sellers, 2010), or operational performance (Kebede & Viridi, 2021).

When TQM is analyzed in terms of performance, some studies represent performance only at limited levels. Corredor and Goñi (2011), cited in Chakravarthy (1986), Zhu (2000), and Martínez et al. (2009), state that organizational performance is a complex term that requires more than one criterion to characterize. They also mentioned that performance covers diverse intentions and levels in the organization. Shafiq et al. (2019) recommended that researchers in future studies should use sufficiently broad constructs to measure organizational performance. Even studies that cover both financial and non-financial sides of organizational performance ignore some aspects

related to society or the environment, for example. For that reason, we are adopting sustainable organizational performance (SOP). It represents a combination of three main elements of organizational performance: environmental, social, and economic. The environmental performance is concerned with the amount of the resources an organization uses in its operations and the environmental impacts created by its activities including waste and emissions. Social performance refers to the impact of the organization on the communities in which it works, accepting and working within the social values and implementing its social responsibilities. The economic performance refers to the ability of an organization to generate profits and create value, increase sales and market share (Hubbard, 2009). Overall, SOP involves balancing between these three aspects of performance to create long-term values for the stakeholders.

SOP has broadened the business perspective from managing economic and financial strategies to equally taking social and environmental responsibilities (Hubbard, 2009). This definition of performance shows that the organization is not merely an economic-financial unit but also responsible for social and environmental aspects (Tasleem et al., 2019). It suggests that a company must balance between profit-oriented, social, and environment-related goals (Tasleem et al., 2019).

On the other hand, a significant issue in management science is how to sustain in the market and show long-term successful performance. According to Schaltegger (2011), sustainability is an organization's key to success. The worldwide orientation towards environment-friendly organizations concerned with society encouraged us to adopt SOP.

### **1.2.2 TQM & HRM**

This research mainly aims to investigate the effect of TQM on SOP. It adopts different theories to get a deep understanding of this topic: Recourse-Based View Theory (RBV), Ability, Motivation,

Opportunity Framework (AMO), Contingency Theory (CT), and Quality Management (QM). According to RBV, organizations depend on resources and capabilities that affect their performance and determine market opportunities. In RBV, management focuses on internal resources to originate sustained competitive advantages (COLBERT, 2004). One of the main internal assets of any organization is the human force. Human Resource Management (HRM) adopts the RBV theory; it considers human potential as a basis for an organization's competitiveness (Wright et al., 1994). Effective management of human resources is a great competitive advantage driver (Saa-Perez & Garcia-Falcon, 2002). Therefore, organizations need to develop HR Practices and programs, including hiring processes, rewards systems, communication systems, and training programs, in a way that differentiates them from other organizations to create superior performance (Bailey, 1993; Wright et al., 1994). TQM and HRM intersect in the role of developing human resource practices. Many TQM elements involve human factors, such as employee involvement and empowerment, teamwork, communications, and management support (Guimaraes, 1996). Paying attention to this relationship between TQM and HRM is necessary to find a linkage between them. Due to the important role of employees in QM, employee outcomes (EMO) have been considered as a moderator between TQM and SOP. In this study, we are adopting the AMO framework for this purpose. The AMO framework is adopted through RBV (Yazdani, 2022). It represents the dimensions of EMO. It defines employees' performance when they have the necessary knowledge and skills to do the job (Ability), have the needed motivation (Motivation), and act in a supportive environment (opportunity). These three elements are reached when the company practices suitable HRM activities, leading to better performance, higher efficiency, and better resources (Ruzic, 2015). Therefore, the first

contribution of this study is examining the TQM-Performance relationship by investigating EMO through the AMO framework.

### **1.2.3 Contingency Theory (CT)**

TQM is context-dependent. In other words, different contextual factors play a role in the success degree of TQM implementation (Sila, 2007; Sousa & Voss, 2002; Sila & Ebrahimpour, 2002, 2003; Douglas & Judge, 2001). Particular TQM practices could be helpful in one country or company rather than others because of specific factors. Studies in the last decade have become more interested in analyzing the effect of different contingency conditions on TQM outcomes (Benson et al., 1991). For example, Ahire and Golhar (1996) studied the impact of company size on TQM practices. Sousa and Voss (2001) found that manufacturing strategy is a contextual factor for TQM practices. Joiner (2007) examined the effect of co-worker and organization support on TQM, considering it a contingency factor.

In contrast, despite many HRM-performance studies, minimal ones considered contingency factor effects. According to Boselie et al. (2005), the effect of EMO on performance depends on different contextual variables. The second contribution of this paper is considering the CT effect on the relationship between EMO and performance.

### **1.2.4 Field of the Study**

As mentioned before, TQM implementation depends on the context. Different situational factors in each country, such as the social, economic, cultural, and political situations, play a role in the success of TQM implementation (Youssef & Zairi, 1995; Lu & Sohal, 1993). Certain practices considered helpful in predicting performance in one country may not be applicable in other

countries in different contexts (Sila & Ebrahimpour, 2003). This research is applied in Palestine, which is a Middle Eastern country. The Middle East is a diverse cultural, economic, and political region. The Middle East has been experiencing economic, political, and social difficulties (Issa & Al Abbar, 2015), including increasing unemployment rates, price inflation, a slow-down in economic activity, low levels of private sector development, weak public and corporate governance, and limited competition (O'Sullivan et al. 2011).

Palestine is a growing country in the Middle East. It suffers from many political, social, and economic challenges. The Palestinian budget depends on external support, and the continuation of the Israeli deductions of tax revenues threatens it. More than 73% of the Palestinian imports of goods and services originated in Israel (Morrar & Gallouj, 2016), and it has total control over the importing processes because it has control over the borders of Palestinian areas; at the same time, Israel has control over raw materials and resources which impedes the industrial activities and the development of the Palestinian economy. Other challenges include the high unemployment rates and the rising consumer prices. Despite this, the Palestinian economy is experiencing a limited recovery, with a 3.6% growth in 2022, compared to 7% in 2021 according to the Palestinian Central Bureau of Statistics (PCBS, 2022). Businesses in Palestine face significant risk and uncertainty, which is projected to have a good or negative impact on the Palestinian economy (PCBS). The Palestinian economy depends mainly on the service sector (Morrar & Gallouj, 2016). It is the cornerstone of the Palestinian economy, where 31% of economic establishments are classified as service providers (Palestinian Ministry of National Economy, 2020).

In general, the service sector is more flexible in managing environmental uncertainty, unlike the manufacturing sector, which depends on importing raw materials from or through the Israeli side,

incurring many challenges. The service sector mainly depends on the labor force. Recently, the service sector in Palestine has increasingly adopted ICT.

The service sector in Palestine faced different restrictions and distortions that constituted a major constraint to its growth and development. Until the mid-90s, specific service sectors, including the financial and telecommunication industries, didn't exist or were very weak. Meanwhile, other sectors, such as air and sea transport, still do not exist. After the Oslo agreement about 30 years ago, the private and the public sectors put a great effort into enhancing the service sector. That led to an increased contribution of the service sector to the Palestinian economy in terms of employment and Gross domestic product (GDP) (Morrar & Gallouj, 2016). According to the latest report for the Palestinian Ministry of National Economy in 2020, the service sector is the most accommodating sector for workers in the local market, with 64.2%; it also accounts for the largest share of GDP at 27.9% (Palestinian Ministry of National Economy, 2020).

The service sector covers education, healthcare, finance and banking, communications, insurance, transportation, consulting, hospitality, information technology, etc. According to the latest study of the PCBS, the number of service establishments in Palestine in 2019 was (41,567), with an increase of 72% since 2009. In the same year, there were 166,833 workers in this industry, compared to 85,756 workers in 2009 (PCBS, 2022).

Despite the quality improvements in the Palestinian service sector, it still faces some quality problems that must be solved to provide superior services. There are still gaps in implementing TQM principles, and further efforts and investments are needed in the quality improvement field (Al-Ghanim, 2003). That is why this topic need to be continuously updated by conducting frequent researches and studies in the Palestinian service sector. Studies implemented in the industrial

sector are also recommended to be done in the service sector to compare results (Herzallah et al., 2014).

### **1.3 The Research Problem**

The relationship between TQM and performance has been studied in many research studies. In this research, we used other variables based on specific needs to cover some gaps in the literature and get a deeper understanding of this relationship. The need for this research lies in highlighting the necessity of improving quality levels in the Palestinian service sector in the face of evolving market dynamics and enhancing sustainable organizational performance by implementing TQM practices and improving EMO. Managers need to be able to recognize the organizational problems that weaken implementing TQM, employee outcomes, and the effect of the EU on their organizations to prepare organizational strategies and plans that increase their chances of surviving and thriving in both local and global markets.

The SOP concept was used because it covers all aspects of performance (environmental, economic, and social) and because all organizations need to look for sustainability in this global situation characterized by high competition and scarcity of resources.

This research is applied in the Palestinian service sector. In general, we studied the service sector to come up with valuable results that could be used in different fields and organization sizes. The service sector dramatically contributes to the Palestinian economy, which is considered a service economy. It contributes approximately 27.9% of the GDP.

Highlighting the importance of the employee role in the TQM-performance relationship, the research employed EMO as a mediating effect between the main variables to see how it influence this relationship. The AMO model was adopted to represent EMO because it involves the main

aspects of EMO – Ability, motivation, and opportunities. Organizational learning was added to the AMO model as a fourth aspect after reviewing many related studies that indicated its importance in this relationship.

As discussed in the introduction, TQM success is context-dependent. It is essential to investigate TQM outcomes in the presence of contingency conditions. According to Sitkin et al. (1994), Ford (2015), and Zhang et al. (2012) environmental uncertainty is a vital contextual factor in quality management. Little is known about the possible influence of the EU on the relationship between EMO and SOP. In this research, we suppose that in markets with higher EU, EMO will be more positively related to SOP compared to when it is low. EU is presented by four primary dimensions - munificence, dynamism, hostility, and heterogeneity.

#### **1.4 Aim and Objectives of the Research**

This research aims to investigate the effect of TQM on SOP through EMO. It seeks to determine which TQM practices have the most significant impact on SOP and which dimension is most affected by TQM implementation. EMO is taken as a mediating factor to see how it influences the relationship between TQM and SOP.

This research also investigates the contingent effect of environmental uncertainty (EU) that moderates the relationship between EMO and SOP. The following objectives were developed to reach the aims discussed in this part:

- To investigate the effect of TQM practices on SOP.
- To examine the impact of TQM practices on EMO.
- To investigate the relationship between EMO and SOP.
- To explore the mediating effect of EMO on the relationship between TQM and SOP.

- To examine the moderating effect of EU on the relationship between EMO and SOP.

### **1.5 Significance of the Research**

While reviewing the literature, it was noted that the effect of TQM on performance was investigated in many research studies that concluded with different results. In the Palestinian context, limited research investigated this relationship in the Palestinian service sector, primarily research that studies SOP.

Recently, more attention has been paid to employee roles in quality management. They are considered a success factor in applying quality practices. They affect TQM implementation, and they are also affected by it. Even though there is a gap in the literature in studying the mediating role of EMO in the TQM – SOP relationship, this study also applied the AMO model to present EMO systematically, which is not popular in the present literature.

Finally, the contingent effect is absent in most EMO-performance studies. This research employed the contingency effect of EU as a moderator variable of the EMO-SOP relationship.

### **1.6 Research Questions and Hypotheses.**

The research aims to answer the following questions:

- 1- Do TQM practices positively influence SOP in Palestinian organizations?
- 2- Do TQM practices positively influence EMO in Palestinian organizations?
- 3- Do EMO positively influence SOP in Palestinian organizations?
- 4- How do EMO mediate the relationship between TQM and SOP in Palestinian organizations?
- 5- How does EU moderate the relationship between EMO and SOP in Palestinian organizations?

In this research, a group of hypotheses was formulated to be tested to investigate the relationships between variables discussed before.

H1: TQM practices positively influence SOP in Palestinian organizations.

H2: TQM practices positively influence EMO in Palestinian organizations.

H3: EMO positively influence SOP in Palestinian organizations.

H4: EMO mediate the relationship between TQM practices and SOP in Palestinian organizations.

H5: EU moderates the relationship between EMO and SOP in Palestinian organizations.

## **1.7 Thesis Structure**

This research includes six chapters. The second chapter reviews the existing literature related to the research variables and the relationships between them. Chapter three discusses the methodology used, including research design, data collection, research population and sample, and data analysis methods. Chapter four presents the assessment of the measurement and structural model. The fifth chapter discusses the research results and presents the theoretical and practical implications of the study. Finally, the last chapter contains the conclusion, recommendations, and limitations.

## **Chapter Two**

### **Literature Review**

#### **2.1 Overview**

This chapter outlines the background of previous studies on the variables, relationships, and hypotheses addressed in this study. It is divided into five sections: TQM practices, TQM and SOP, TQM and EMO, EMO and SOP, and finally, contingency studies in TQM and EMO.

##### **2.1.1 TQM Practices**

TQM is a concept first generated in the manufacturing sector in Japan; since then, the term TQM term has been recognized and used worldwide (Prajogo, 2005; Jayaram et al., 2010). TQM is a quality management approach that targets the entire value chain, aiming to provide customers with superior products and services and increase their satisfaction through an emphasis on human factors and continuous improvements (Demirbag et al., 2006; Welikala & Sohal, 2008; Kaynak, 2003). It is a set of guiding principles and a management philosophy characterized by customer orientation, continuous improvement, management commitment, and employee empowerment, considering stakeholders' interests, leading to different benefits such as cost reduction, reputation improvement, employee motivation, and increased profitability (Al-Salim et al., 2002). Combined with other assets in the organization, it also aims to generate competitive advantages (Hackman & Wageman, 1995). It measures the degree of implementation of TQM and evaluates its relationship with other practices (Douglas & Judge, 2001). Different models, such as Malcolm Baldrige National Quality Award (MBNQA), Deming, and the European Foundation Quality Management (EFQM), ISO were developed to measure TQM practices. In this study, MBNQA has been applied to assess TQM practices. It was accepted as a suitable TQM measuring tool and adopted in many

studies (Alanazi, 2020; Fatima & Mahaboob, 2018; D’Souza & Sequeira, 2011). The dimensions proposed by the MBNQA model are leadership, HRM, strategic planning, customer focus, information and analysis, and process management (Alanazi, 2020). Explained in Table (1). "Business results" dimension was omitted due to the existence of the SOP variable as a dependent variable that covers this dimension.

Table 1: TQM Practices

| <b>MBNQA Dimension</b>                 | <b>Explanation</b>   | <b>References</b>   |
|--|--|---|
| <b>Leadership (L)</b>                  | Guide and sustain a high-performance organization, through setting and communicating the organization's vision, mission, and expectations.   | Islam, (2007)   |
| <b>Human resource management (HRM)</b> | The policies and practices (including recruitment and selection, performance appraisals, training and development, compensation and reward) that manage people and integrate with the strategic goals and objectives of the organization to achieve a competitive advantage. | Tamer, K., & Darwish (2009)                                     |
| <b>Strategic Planning (SrP)</b>        | A structured and continual process of identifying and assessing an organization's abilities, surrounding   | Goetsch and Davis (2012)<br>and Jaafreh and Al-Abedallat (2012) |

|                                      |   |   |
|--------------------------------------|---|---|
|                                      | environment, long-term goals, and the way to achieve them, as well as customers' expectations and concerns.   |   |
| <b>Customer Focus (CF)</b>           | It is the strategic emphasis on customer needs through a group of customer relationship practices and organizational procedures and practices.        | Douglas, T. J., & Judge Jr, W. Q. (2001). |
| <b>Information and Analysis (IA)</b> | This dimension addresses gathering, analyzing, and managing organizational data and information, and uses it to optimize organizational performance.  | Islam, (2007)                             |
| <b>Process Management (PM)</b>       | A group of tools and techniques that improve processes. It is the way to integrate the whole organization, and should be understood by all employees. | Lee, R. G., & Dale, B. G. (1998).         |

### 2.1.2 TQM & SOP

The TQM-performance relationship is still debated in the literature concerning whether TQM practices would lead to improved performance and which practices have the most significant effect

on performance (Idris, 2011). Some studies proved the positive association between TQM practices and performance (Shenaway et al., 2007). In contrast, others showed that TQM has no significant effect on performance (Westphal et al., 1996) or has an inverse impact (Davis, 1997). Dow et al. (1999) suggested that employee commitment, customer focus, and shared vision positively correlate with organizational outcomes. In another critical study, Samson and Terziovski (1999) concluded that soft TQM elements such as HRM, customer focus, and leadership are the leading performance predictors, while other factors such as information and analysis and process management are neither significantly related nor negatively related.

The TQM concept is based on ethical principles (Zairi & Peters, 2002). This philosophy is compatible with the moral attribute of SOP (Tasleem et al., 2019). Researchers have recently highlighted the connections between TQM and business excellence (Gómez et al., 2017; Saha & Alam, 2022). Zink (2007) recommended that TQM practices could be integrated with the business excellence frameworks to be linked to SOP.

Although many studies examined the relationship between TQM practices and operational performance, few studies focused on the effect of TQM on SOP (Saha et al., 2022), and most established a positive relationship between them. In a study done in Malaysia, Ali & Johl (2022) concluded that soft and hard TQM practices significantly enhance financial, social, and environmental SOP. Khalfallah et al. (2021) argued that sustainability can be included in organization applications by adopting the TQM approach. He also suggested that TQM principles significantly increase organizational sustainability. The results of another study conducted in the UAE's service sector showed that TQM significantly impacts sustainability performance (AlShehail et al., 2022). Tasleem et al. (2019) also agreed with this result and suggested that TQM implementation helps the organization improve all sustainability aspects (financial, social, and

environmental). Zaid (2023) proved that TQM has a positive effect on business sustainability in the Palestinian manufacturing organizations.

Despite having varying results regarding the degree of influence of each TQM element on operational performance and the shortage of studies that cover the TQM-SOP relationship, available theoretical research suggests that TQM elements can positively affect SOP (Abbas, 2020). Therefore, based on the above discussion, the first hypothesis is proposed as follows:

***H1: TQM practices affect SOP.***

### **2.1.3 TQM & EMO**

As mentioned, TQM is a philosophy that focuses on continuous improvement and aims to achieve superiority to gain customer satisfaction and competitive advantages. This requires building related mission, vision, and plans that every employee in the organization adopts. In recent years, several studies have focused on the role of employees and their contributions to quality management (Bakotić & Rogošić, 2017; Gutierrez et al., 2018; Cho et al., 2017). Employees' participation and empowerment are key to successful TQM implementation (Gatchalian, 1997; Malik et al., 2010). According to Wilkinson et al. (1992), Ishikawa agreed on this point as he stressed the importance of employee involvement. According to Hill (1991), employee participation is the central mechanism for quality improvement; employees should be a part of identifying and improving processes. The emphasis on human resources of TQM awards such as MBNQA, EFQM, Deming Prize of Japan, and ISO9000 Series is evidence of HRM's role in TQM implementation (Uysal, 2012). Prajogo & Brian (2010) suggested that TQM practices must be incorporated with the HR system to achieve a competitive advantage.

On the other hand, TQM implementation is not only affected by human force; it also affects it in return in different ways. Many studies in the literature addressed the topic of EMO in quality management (Menezes, 2012). Salahat and Smirat (2014) linked HRM planning with TQM implementation in a study in the Palestinian private sector. Womack et al. (1990) stated that TQM offers employees opportunities and motivation, while Garrahan & Stewart (1992) and Green (2006) suggested that it can also create a stressful work environment

Researchers of both approaches use common indicators to measure EMO, including job satisfaction, commitment and loyalty rates, absenteeism, and turnover intentions (Chang et al., 2010; Faeq et al., 2022; Ahmed & Idris, 2020; Guimaraes, 1997; Arunachalam & Palanichamy, 2017; Sommer & Merritt, 1994). These indicators are too limited to conceptualize EMO of TQM; in this study, the researcher adopts the AMO framework to theorize EMO. The framework is based on three elements representing EMO: ability, motivation, and opportunities. The effect of TQM practices on each component is discussed in the following part.

#### **2.1.4 TQM & Employee Abilities**

TQM practices aim to provide employees with the needed skills and competencies to contribute to quality improvements (Vouzaz & Psychogios, 2007). TQM practices build a managerial environment that encourages employees to utilize their skills and abilities to improve the quality of their work (Karia & Asaari, 2006). Organizations that yield power to employees, consistent with TQM principles, give them control over their jobs and make them more responsible for their tasks; it also increases their flexibility to adapt to a changing environment (Yeh, 2003). Shea & Howell (1998) proposed that “self-efficacy” can be enhanced through participating in TQM projects.

According to Zahorik & Keiningham (1996), TQM projects improve work quality through technical and interpersonal skills.

TQM implementation makes changes in the work environment. It requires applying certain practices that directly affect people in the organization. Employee training is one of the main TQM dimensions that is considered an enabler for TQM implementation (Gunasekaran, 1999; Taylor & Taylor 2013). Salaheldin (2009), Antony et al. (2002), Saraph (1989), Tamimi (1998), and Lewis (2006) also mentioned training as a critical success factor for TQM implementation, which will lead to an improvement in employee skills, abilities, and capabilities. Training programs help employees increase their knowledge and skills and provide opportunities for individual growth (Ijaz et al., 2012).

In addition, TQM enhances communication between employees themselves and between employees and their managers (Fuentes et al., 2011), which helps transform knowledge and experiences. TQM emphasizes teamwork to provide a cooperative atmosphere between employees and management, which improves employees' performance at all levels (Fuentes et al., 2004). Teamwork and employee cooperation among each other increase self-efficacy (Kirkman & Rosen 1999).

The literature has well documented that TQM practices lead to employee satisfaction (Chang et al., 2010; Ooi et al., 2007; Karia & Asaari, 2006). And this reflects in employee ability in different ways. According to Butler (1996) and Kerr (1996), satisfied employees are more likely to provide high levels of service to their customers (Al-Refaie, 2015). Satisfied employees are more productive (Hunter & Tietyen, 1997; Allen & Wilburn, 2002; Sageer et al., 2012; Volyn, 1995). And they exchange knowledge and improve their work performance (Arsić et al., 2012; Mohammad et al., 2013; Ayupp & Kong, 2010; Lee et al., 2015). Employee empowerment, also a

practice of TQM, enables employees to make their own job-related decisions to smooth their work functions and make them responsible for the results (Silver & Randolph, 2004).

### **2.1.5 TQM & Motivation**

TQM practices provide an environment that enhances employee motivation and goal accomplishment (Guimaraes, 1996). It plays a role in developing motivation interventions to engage employees in the quality improvement process (Dubey & Gunasekaran, 2014). Employee participation, a key factor in TQM implementation, will enhance employees' pride and belonging (Ugboro & Obeng, 2000). Thus, employees will feel valued, respected, and essential (Sadikoglu & Zehir, 2010). Silver & Randolph (2004) state that employee empowerment affects employees' behavior and attitude and leads to higher job satisfaction. Teamwork and employee cooperation increase job satisfaction (Kirkman & Rosen, 1999; Griffin et al., 2001). According to Koyuncu et al. (2013), satisfied employees are more dedicated to work. Judge et al. (2000) mentioned that employee satisfaction positively correlates with motivation. They are leading us to an expected result of a relationship between TQM and motivation.

### **2.1.6 TQM & Opportunities**

TQM offers opportunities for self-actualization in the work environment (Snape, 1995). That is because it considers the thoughts and opinions of every employee and gives them the space to express them through supporting employee participation and involvement. TQM practices allow employees to achieve their career objectives and improve their work quality by enhancing their skills and capabilities (Aldakhil et al., 2017).

In his 14 points of management principles, Deming recommended breaking down barriers between staff and departments. Employees' participation and involvement is a crucial TQM element. It

provides them with opportunities to have an input in organizational decisions (Berg, 1999). Management should design a structure and build a culture that supports employees' effective participation (Hill, 1991). Employees' involvement would make them more responsible, motivated, and satisfied with their jobs and discourage their fear of failure (Wilkinson & Witcher, 1991). In organizations that apply TQM practices, employees benefit from decision-making and problem-solving, leading to job satisfaction (Snipes et al., 2005). TQM focuses on delegating responsibilities from upper management to employees (Dimitrades, 2001).

In a total quality setting, jobs are redesigned to give employees autonomy and enable them to participate in decision-making (Hackman & Wageman, 1995). In TQM, employees' involvement and participation are critically essential to improve quality and productivity (Fuentes et al., 2004). Employees' participation in the decision-making and problem-solving process enhances their awareness of their role in reaching organizational excellence (Dahlgaard-Park, 2012). Management must consider employees in decision-making to show greater loyalty and commitment (Arsić et al., 2012). One of the criteria of the EFQM is maximizing employees' contribution through their improvement and involvement (Michalska, 2008). Quality improvement teams and quality circles are critical practices for applying TQM; they require employees' participation to resolve quality problems that face them, leading to motivation and satisfaction (Ijaz et al., 2012).

Studies also proved that TQM practices negatively affect employee turnover and absenteeism (Judge et al., 1993). It influences employees' intention to leave the organization (Anjum, 2016). And reduces turnover intentions (Hwang et al., 2020), meaning they see the opportunity to grow in the organization.

### **2.1.7 TQM & Learning**

Previous literature discussed organizational learning as an output of TQM. Many authors believe that TQM significantly and positively affects organizational learning (Hung et al., 2011; Lam et al., 201). TQM helps foster learning (Hendricks & Singhal, 2001). According to Barrow (1993), organizational learning is TQM's primary outcome or product. Many other researchers have mentioned that TQM practices enhance organizational learning (Terziovski & Samson, 2000; Martinez-Costa & Jimenez-Jimenez, 2008; Walley, 2000). TQM organizations observe higher levels of organizational learning (Martinez-Costa & Jimenez, 2008; Pool, 2000). Pool (2000) examined how TQM supports new knowledge within the organization. Due to the significant impact of TQM on organizational learning, it will be considered the fourth dimension of EMO. Pool (2000) examined this relationship, too, and concluded that organizations implementing TQM will observe a higher level of organizational learning than those not exposed to TQM.

According to the literature mentioned, we can say that there is a positive relationship between TQM practices and EMO. Therefore, the second hypothesis is defined as follows:

***H2: TQM practices positively influence EMO.***

### **2.1.8 EMO and SOP**

The AMO theory provides an excellent framework that explains the relationship between EMO and performance. Recent studies are increasingly adopting the AMO model to understand the EMO - performance relationship better. Almutawa & Zhang (2016) believe that AMO directly affects performance. Obeidat & Mitchell (2016) support the link between AMO and performance. Katou & Budhwar (2010) also agreed that AMO practices affect performance. The AMO model is an essential theoretical framework that outlines the intermediary role of EMO and its

relationship with organizational performance (Yazadani, 2022). According to AMO, when employees have the needed skills, abilities, and knowledge. They are motivated to do their tasks effectively and can participate in the workplace; it is expected that this will be reflected in the organizational performance (Marin-Garcia et al., 2016; Paauwe, 2009; Bos-Nehles et al., 2023).

The effect of AMO on performance was proven in literature. From the studied literature, we can observe a shift in performance indicators towards sustainable indicators that not only evolve around traditional financial indicators, including employees' capacities and talents (Jiang et al., 2018; Székely & Knirsch, 2005). In this study, we used the concept of SOP to express the corporate performance variable. This concept has been widely used recently because of the general understanding of the increasing impact of the sustainability concept on the nature of organizations' operations (Yong et al., 2020). Phan et al. (2020) see that organizations must go beyond economic and regulatory compliance and integrate their economic, social, and environmental performance to improve organizational sustainability.

SOP guarantees the organization's continuity and considers stakeholders' interests (Bianco et al., 2019). It combines three dimensions: economic, social, and environmental, appearing as the interaction between the internal and external environment of the organization (Cizmaş et al., 2020). The financial performance is evaluated in the literature based on different indicators, e.g., profit and income (Zhu et al., 2012), market share (Saha et al., 2022), operational costs (Hassis et al., 2023), processes efficiency (Khan & Nisar, 2019). It is just as important as achieving environmental goals for stakeholders to create a pathway to achieve SOP (Lopes et al., 2020). The second dimension is social performance, it represents a firm's performance based on social indicators, e.g., workforce health and safety (Khan & Nisar, 2019; Saha et al., 2022), workforce capabilities and satisfaction (Khan & Nisar, 2019), community wellbeing (Malik et al., 2021). The

third dimension is environmental performance; organizations are showing increasing interest in the environmental consequences of their production processes, which could respond to the growing public awareness of environmental issues caused by business activities and government regulations and laws. In the literature, environmental performance is measured based on different indicators, e.g., using environmentally friendly materials and reliance on renewable energy (Hassis et al., 2023), as well as reducing toxic materials and emissions (Khan & Nisar, 2019).

One of the research goals is to explore the impact of EMO elements represented in the AMO model on SOP. According to the reviewed literature, the third hypothesis is defined as follows:

***H3: EMO positively influence SOP.***

After analyzing the relationship between TQM and EMO and the relationship between EMO and SOP, we can see that EMO can explain how TQM affects performance. If the elements of EMO discussed before are well utilized and improved through TQM practices, they will make a difference in the TQM-performance relationship. We can express this relationship in the following hypothesis:

***H4: EMO mediate the relationship between TQM practices and SOP.***

### **2.1.9 Contingency Studies in TQM and EMO**

Contingency theory means there is no best way to manage different organizations in different environments. An effective organizational strategy in a company may not be effective in another company under different circumstances (Tarter & Hoy, 1998; Otley, 2016). It means something is valid only if certain conditions are met (Chenhall, 2007). This theory shows that a firm's performance is directly related to the context in which it operates (Robertson & Chetty, 2000).

According to CT, organizational effectiveness depends on fitting organizational characteristics, such as structure, to contingencies resulting from different factors leading to a higher performance (Donaldson, 2006; Kihara, 2016; Pennings, 1992; Thompson, 2007; Zott, 2003). Operations management research follows three steps in studying CT: 1) Identifying contingency variables that differentiate between contexts; 2) grouping different contexts based on these contingency variables; and 3) determining the most effective internal designs (responses) in each major group (Sousa & Voss, 2008).

CT has been increasingly mentioned in recent research, yielding many new insights in different fields, including QM (Fuentes et al., 2011; Donaldson, 2001). Alzaza (2022) employed the contingency theory in a study that investigated the quality of an e-learning system in the Palestinian Higher-educational institutions during coronavirus pandemic. Jery and Souai (2014) found that the relationship between strategic human resources management and organizational performance is contingent on the type of the firm's business strategy. Chang and Huang (2005) confirmed the validity of the contingency model in an Asian society by investigating the effect of the moderating role of product market strategy on the relationship between strategic human resource management and firm performance.

Contingency variable identification is now considered an essential part of related research. Some of the most frequent variables in QM research are as follows: EU (Otley, 2016; Speckbacher & Offenberger, 2010; Lecy et al., 2012; Beleska-Spasova, 2014; Burns & Stalker, 1961; Wadongo & Abdel-Kader, 2014; Donaldson, 2001), organizational strategy (Tharenou et al., 2007), company size (Cagliano et al, 2001; sila, 2007), technology (Donaldson, 2001), ownership structure (Ferreira & Otley, 2005), and organizational structure (Lecy et al., 2012; Ferreira & Otley, 2005).

EU is frequently mentioned as an essential contingent variable in different studies. Sitkin et al. (1994) said the EU affects QM and TQM implementation. Ojra (2014) studied the effect of EU as a contingency factor on organizational performance. Kattan et al. (2007) studied the contingent effect of EU on the management accounting systems in the developing economy of Palestine. EU is defined in the literature as the inability to accurately predict the outcomes of a decision (Pondeville et al., 2013; Kafetzopoulos et al. 2019, Duncan, 1972; Downey & Slocum, 1975) or it is the volatility and lack of predictability in the external environment where firms compete (Gordon, 2009; Miller & Friesen, 1983; Milliken, 1987). The changing events and trends create opportunities and threats for an organization's individuals (Turner, 1993). Organizations that operate in environments with high uncertainty levels need to develop flexible and adaptable systems to manage their activities at the same quality level (Otley, 2016). Environmental and technological changes cause organizational uncertainty (Donaldson, 2001). It also affects an organization's mechanistic structure (organizational hierarchy) (Pennings, 1992). Some studies highlighted the positive side of uncertainty and emphasized its benefits. Uncertainty situations are full of opportunities, and the staff's task is to exploit these opportunities (McGrath & MacMillan, 2000).

Unlike the QM, limited HRM studies considered the effects of contingency variables. Some scholars believe that the EU, among other contingent variables, can affect the relationship between HRM and performance (Katou & Budhwar, 2010). Cugin and Williamson (2014) investigated the interactive relationship between HRM practices and EU on financial and non-financial performance. As well as Delery and Doty (1996) and Becker and Gerhart (1996) studied the moderating role of the EU in HRM research.

As discussed before, the EU could be defined as fluctuation and degree of uncertainty in the environment. These factors affect product performance, quality, and life cycle length. Firms realize they do not have enough information to handle new sources of change in the environment, making it hard to deal with ambiguity (Koufteros et al., 2005). EU is linked to changes in technologies, customers' preferences, demand fluctuation, and supply of materials (Jansen et al., 2006). To survive in such a risky environment, companies need to adapt to these changes, and managers are responsible for improving their organization's ability to change and grow (Clack et al., 2012). Especially in developing economies – such as our field of study – which face more uncertainty than those performing in advanced economies, they must be flexible to achieve innovation and good performance (Yi et al., 2009). They must also enhance their innovative capabilities to gain a competitive advantage in uncertain environments (Hamidi & Shams Gharneh, 2017; Lin et al., 2010). Employees try to understand the changing climate and how it will affect their lives (Fisher and Howell, 2004; Bartunek et al., 2006). According to Donaldson (2001), an organization's superior performance is contingent on the external environment and the internal environment, which highlights the critical role of employees in facing EU impacts.

In this research, we will argue how the EU affects the relationship between EMO and performance. EU leads employees to experience stress (Herscovitch & Meyer, 2002; Rafferty & Griffin, 2006) and confusion (DiFonzo & Bordia, 1998) because of the lack of information. Thus, workforces facing a changing working environment must be more skilled and motivated (Jensen et al., 2009). They also need to be flexible to have the ability to meet varying performance requirements (Miller & Park, 2002). In this context, Ployhart and Bliese (2006) proposed the I-ADAPT theory to describe individual differences in adapting ability. It defines adapting ability as an individual's skill, disposition, willingness, and motivation to change or fit different tasks and features.

According to Ngo and Loi (2008), companies value employees who can adjust to changes and capitalize on opportunities. Organizations expect employees to keep positive job attitudes and high-performance levels in such situations by acquiring new skills and procedures (Cullen et al., 2014). Skilled, motivated, and more participating employees exposed to organizational learning are valuable assets to firms in uncertain environments. Therefore, firms with high EMO can take advantage of turbulent environments, exploit opportunities, and use them to improve performance. They can also retain and attract talented employees with innovative ideas and deliver superior performance in such environments (Oke et al., 2012). However, little is known about the potential effect of the EU on the relationship between EMO and SOP in the organization. In this study, we assume that EMO will be more related to SOP in environments with higher levels of uncertainty. The moderating effect of the EU is investigated in the following hypothesis.

*H5: EU affects the relationship between EMO and SOP.*

## **Chapter Three**

### **Research Methodology**

#### **3.1 Overview**

In this chapter, the methods used to conduct this research are discussed. Starting with research measures and conceptual framework, then research design that describes the research work plan. Next, we cover the approach used in the research. Then, data collection, population, and sampling are addressed. Finally, methods and techniques for data collection are explained.

#### **3.2 Measures**

This study used pre-tested measures from previous empirical studies to ensure their validity and reliability. The measures used for assessing the research variables are discussed below:

##### **3.2.1 TQM Dimensions**

The MBNQA model was adopted to measure the TQM implementation level; it contains six elements: leadership, HRM, strategic planning, customer focus, information and analysis, and process management. This instrument was designed to assess the development degree of the organization on each of the six TQM practices. Many scholars have widely adopted the MBNQA instrument in their TQM studies (e.g., Miyagawa and Yoshida, 2010; Prajogo and Hong, 2008; Haffar et al., 2013).

##### **3.2.2 EMO**

EMO was measured based on the AMO model. The AMO model has been widely used in HRM literature to explain the linkage between HR practices and organizational performance (Boxall & Purcell, 2003; Boselie et al., 2005; Ehrnrooth & Björkman, 2012; Appelbaum et al., 2000).

According to the AMO model, performance is a function of ability, willingness to perform (motivation), and opportunity to perform (Blumberg & Pringle, 1982). These three elements must be present for performance to occur, and having a low level of any of these dimensions would decrease performance levels (Blumberg & Pringle, 1982). Based on the model, people will perform well when they have the proper abilities have adequate motivation, and the work environment provides them with participating opportunities (Raidén et al., 2006; Boselie, 2010; Boxall & Purcell, 2003; Marín-García et al., 2011).

It is noteworthy - quoting from Marin-Garcia & Tomas (2016) - that the model's origins were limited to the first two dimensions (ability and motivation); it only considered that the personal dimensions affect performance and ignored the external environment's effect. Blumberg and Pringle (1982) introduced an updated model after adding the missing dimension of “opportunity” to solve this issue. Certain statements were quoted from related studies to express each AMO dimension in the questionnaire.

### **3.2.3 EU**

EU was measured using EU dimensions (Munificence, Dynamism, Hostility, and Heterogeneity). This instrument has been widely adopted for the aim of measuring environmental uncertainty. Munificence describes how the external environment of an organization leads to business growth (Kocabasoglu et al., 2007), including economic growth, consumer demand growth, and growth in industry sales (Kim & Chai, 2016). Dynamism represents the degree of changes in customer preferences, technologies, product design, competitor’s practices, etc.... (Khan & Quaddus, 2015; Achrol and Stern, 1988). Hostility captures the degree of competition and governmental control in

the market (Kocabasoglu et al., 2007). Heterogeneity measures the degree of dissimilarity between organizations (Kocabasoglu et al., 2007).

### 3.2.4 SOP

SOP depends on balancing environmental, social, and economic performance (Schoolman et al., 2012; Kajikawa, 2008). The three dimensions were used to give a comprehensive perception of performance. Table (2) presents the variables, measures, and references for each one:

Table 2: Variables measurement

| Variable                    | Measures  | References   |
|-----------------------------|---|--|
| <p><b>TQM practices</b></p> | <p>MBNQA model:</p> <ul style="list-style-type: none"> <li>• Leadership (L)</li> <li>• Information Analysis (IA)</li> <li>• Strategic Planning (SrP)</li> <li>• Process Management (PM)</li> <li>• Customer Focus (CF)</li> <li>• Human Resource Management(HRM)</li> </ul> | <p>(Jayaram et al., 2010; Prajogo &amp; Sohal, 2006; Wang et al., 2012; Fotopoulos &amp; Psomas, 2010; Sitki-Ilkay &amp; Aslan, 2012; Hassis et al., 2023; Rahman &amp; Bullock, 2005; Alanazi, 2020; Zhang et al., 2021; Edgar et al., 2021; Samson &amp; Terziovski, 1999; Das et al., 2008; Sila &amp; Ebrahimpour, 2005; Baird et al., 2011)</p> |
| <p><b>EMO</b></p>           | <p>AMO model:</p> <ul style="list-style-type: none"> <li>• Ability (AB)</li> <li>• Motivation (MO)</li> <li>• Opportunity (OP)</li> <li>• Learning (LE)</li> </ul>  | <p>(Almutawa et al., 2016; Sohal &amp; Morrison, 1995; Nientied &amp; Slob-Winterink, 2018; Katou &amp; Budhwar, 2010; Doshi &amp; Nigam, 2023; Skerlavaj et al., 2010; Jimenez &amp; Valle, 2011; Edgar &amp; Everett, 2021)</p>  |

|            |   |   |
|------------|---|---|
| <b>EU</b>  | EU dimensions <ul style="list-style-type: none"> <li>• Munificence (UNM)</li> <li>• Dynamism (UND)</li> <li>• Hostility (UNH)</li> <li>• Heterogeneity (UNHE)</li> </ul>    | (Miller & Friesen, 1983; Kim & Chai, 2016; Khan & Quaddus, 2015; Wernerfelt & Karani, 1987; Achrol & Stern, 1988; Brouthers et al., 2002) |
| <b>SOP</b> | SOP dimensions: <ul style="list-style-type: none"> <li>• Social Performance (SP)</li> <li>• Environmental Performance (EP)</li> <li>• Economic Performance (Eco)</li> </ul> | (Hassis et al., 2023; Khan & Nisar, 2019; Saha et al., 2022; Malik et al., 2021)  |

### 3.3 Conceptual Framework

Based on the literature review and the hypotheses, the relationships among variables can be suggested with the model shown in Figure (1), in which TQM indirectly affects SOP through EMO. It also shows the moderating effect of EU on the relationship between EMO and SOP.

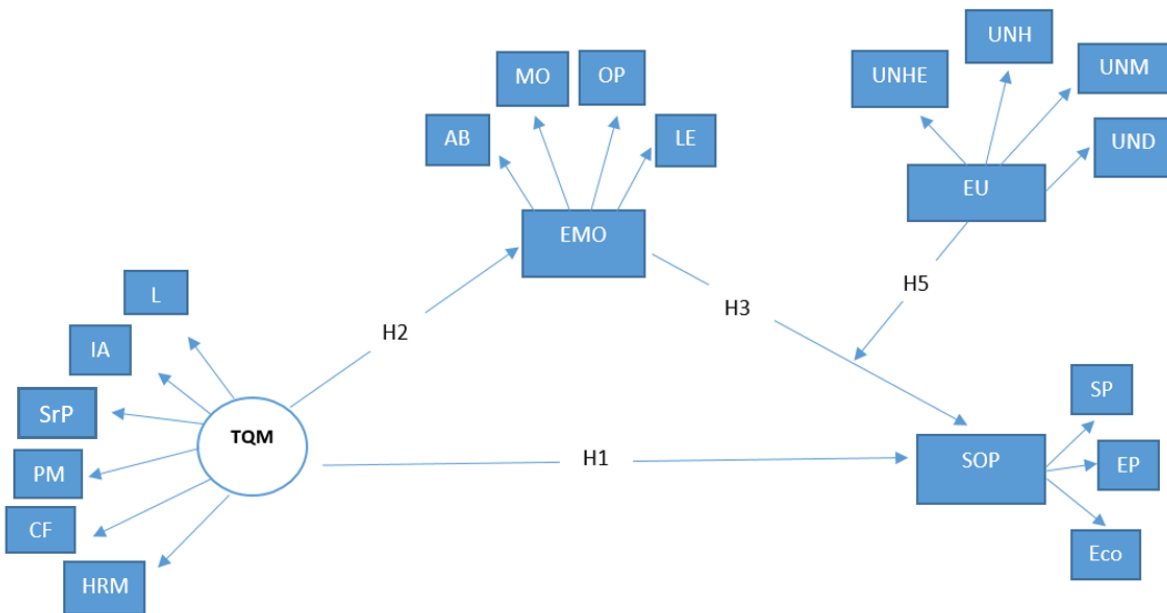


Figure 1: The conceptual framework

### **3.4 Research Design**

Kothari (2004) identified three major study types: descriptive, explanatory, and exploratory. In descriptive research, the researcher describes a situation or case, a theory-based method created by gathering, analyzing, and presenting data. Explanatory research addresses the causal relationship between the variables, examining the effect of independent variables on the dependent variable by collecting, testing, and analyzing data. Exploratory research aims to explore a specific problem or topic by formulating a suggested hypothesis.

In this research, we aim to investigate the effect of TQM on SOP, to understand how EMO affect this relationship, and how environment uncertainty moderates the relationship between EMO and SOP, so it is considered to be causal (explanatory) research because it investigates how some of the mentioned variables causes an effect on others.

### **3.5 Research Approach**

This research used the quantitative approach to test the hypothesis formulated from the literature review. Quantitative research involves a numerical or statistical approach to quantifying data. It seeks to build, confirm, and validate relationships among variables and develop generalizations that contribute to theories (Leedy & Ormrod, 2001, p. 102). A quantitative research employs inquiry strategies such as experiments and surveys and uses instruments to collect data that yield statistical data (Creswell, 2003). According to Williams (2007), a quantitative research is independent of the researcher; therefore, data is used to measure reality objectively.

### 3.6 Questionnaire Design

The questionnaire was built based on an extensive literature review. The questions were carefully selected to ensure that they express the research variables. A pilot survey was distributed first to ensure the wording and clarity of the survey. The questionnaire's language is Arabic because it was distributed locally. The research questionnaires in English and Arabic are available in Appendix (1) and Appendix (2), respectively. The questionnaire was developed using Google Forms and distributed via email, and also printed and distributed in person to increase the response rate as (Mond, 2004) argued that hand delivery surveys are associated with higher response rates. Data collection started in December 2022 and ended in January 2023. It comprises six sections: Eligibility of respondents, Demographic Information, TQM elements, EMO, EU, and SOP.

The initial part contained ten questions that covered the respondents' demographic information, such as gender, position, department, firm size and field of operation, company location, and whether TQM practices were implemented. This data will be linked to the research variables in the analysis part to generate valuable results. In the second part, the implementation of TQM practices was assessed. Twenty-six questions were asked to measure the six TQM practices: leadership, HRM, strategic planning, customer focus, information and analysis, and process management. Next, we asked fifteen questions that measure EMO, abilities, motivation, opportunities, and learning in this part. In the fourth part, we assess the degree of uncertainty of the environments where each organization operates; sixteen questions covered the fourth dimensions of the EU: Munificence, Dynamism, Hostility, and Heterogeneity. Finally, the fifth part contained sixteen questions that evaluate SOP, including environmental, social, and financial performance.

A seven-point Likert scale was used to determine the degree of approval on each statement of the questionnaire, with endpoints of “strongly disagree (= 1)” and “strongly agree (=7)” in all sections except the EU section where endpoints of “highly unpredictable (= 1)” and “highly predictable (=7)” were used.

### **3.7 Sampling Techniques**

This research aims to evaluate TQM implementation, EMO, EU, and SOP in service-providing companies which have implemented the QM principles and practices and have one of the QM certifications. The questionnaires were directed to high-level employees in these companies. To guarantee that these companies are implementing QM processes, we asked about it in the eligibility section of the questionnaire, and any company that did not do so was deleted.

The required sample size can be determined utilizing G\*power 3.1 software (Faul et al., 2009) based on the provided parameters: a small effect size of  $f^2=0.15$  (Cohen, 1988), an alpha level of 0.05, three predictors, and a power of 0.95% (Gefen et al., 2011). With these specifications, we calculate that 119 administrative officers are needed for this study to attain the desired confidence level. Using a convenient sampling strategy, 200 surveys were distributed electronically and in person as hard copies. We obtained 162 replies, with 123 statistically significant, resulting in a response rate of approximately 61%.

### **3.8 Data Analysis Techniques**

To analyze the raw data obtained from the questionnaire, we used Smart PLS 4.0 to test hypotheses, examine the relationships among the research variables and formulate theories. The SEM analysis is conducted on Smart PLS using Ordinary Least Square (OLS) to investigate the causal-effect relationship between the independent and dependent variables. The PLS approach is

used to analyze quantitative data using Smart-PLS, developed by Herman Wold in 1982. Using PLS-SEM helps analyze small sample sizes and non-normal data, and it can also examine complex models with multiple constructs, indicators, and structural paths despite the data distribution (Hair et al., 2019).

In Smart PLS, variables are classified into exogenous or endogenous, representing independent and dependent variables. The relationships among these variables are visually represented in a diagram, where exogenous variables have outward arrows in the structural model. On the other hand, the endogenous variables have inward arrows in the structural model (Hair et al., 2011).

To build a path model, we need to develop two theories: measurement theory and structural theory. Measuring theory assesses the reliability and validity of the measures, in which we applied composite reliability, convergent validity and discriminant validity. Next, we will examine the relationships between different variables and assess the formulated hypothesis by using coefficients of determination ( $R^2$ ), the predictive relevance ( $Q^2$ ), the effect sizes ( $f^2$ ), and the significance of the path coefficients.

## Chapter Four

### Data analysis and results

#### 4.1 Overview

The fourth chapter presents quantitative data analysis. In the first part, demographic information of the respondents will be represented and the descriptive data will be discussed. In the second part, the formulated hypothesis will be tested using the Smart-PLS program. This chapter explores the relationships between TQM practices, EMO, EU, and SOP from the perspective of the managerial level in the Palestinian service sector.

#### 4.2 Demographic analysis

The results indicate that 76% of the received responses passed the eligibility test, the answer to the eligibility question in 123 questionnaires out of 162 was that the company applies quality practices. The data was analyzed using the SPSS program. Table (3) summarizes the complete demographic details.

Table 3: Demographic characteristics

| Characteristic         | Distribution      | Frequency<br>( <i>n</i> = 123) | Percentage |
|------------------------|-------------------|--------------------------------|------------|
| Gender                 | Male              | 68                             | 55.3%      |
|                        | Female            | 55                             | 44.7%      |
| Qualifications         | Diploma           | 1                              | 0.8%       |
|                        | BA                | 98                             | 79.7%      |
|                        | MA                | 22                             | 17.9%      |
|                        | PHD               | 2                              | 1.6%       |
| Department you work in | Quality assurance | 31                             | 25.2%      |
|                        | Sales             | 8                              | 6.5%       |
|                        | HR                | 22                             | 17.9%      |
|                        | Marketing         | 11                             | 8.9%       |
|                        | Procurement       | 7                              | 5.7%       |
|                        | Finance           | 12                             | 9.8%       |

|                            |                           |                 |       |
|----------------------------|---------------------------|-----------------|-------|
|                            | Operations                | 14              | 11.4% |
|                            | Information Technology    | 7               | 5.7%  |
|                            | R & D                     | 2               | 1.6%  |
|                            | Customer service          | 6               | 4.9%  |
|                            | Other                     | 3               | 2.4%  |
| <b>Job position</b>        | Supervisor                | 24              | 19.5% |
|                            | Specialist                | 8               | 6.5%  |
|                            | Unit Head                 | 16              | 13.0% |
|                            | Section Head              | 34              | 27.6% |
|                            | Manager                   | 29              | 23.6% |
|                            | Regional manager          | 4               | 3.3%  |
|                            | Director                  | 6               | 4.9%  |
|                            | Other                     | 2               | 1.6%  |
| <b>Organization sector</b> | Telecommunications        | 14              | 11.4% |
|                            | Trading                   | 11              | 8.9%  |
|                            | Banking                   | 24              | 19.5% |
|                            | Insurance                 | 16              | 13.0% |
|                            | Education                 | 13              | 10.6% |
|                            | Hospitality               | 8               | 6.5%  |
|                            | Health care               | 7               | 5.7%  |
|                            | consultancy               | 3               | 2.4%  |
|                            | Information Technology    | 8               | 6.5%  |
|                            | Marketing and Advertising | 9               | 7.3%  |
|                            | Media Services            | 5               | 4.1%  |
|                            | Legal Services            | 3               | 2.4%  |
|                            | Other                     | 2               | 1.6%  |
|                            | <b>Organization type</b>  | Family business | 36    |
| Private joint stock        |                           | 31              | 25.2% |
| Public joint stock         |                           | 53              | 43.1% |
| Other                      |                           | 3               | 2.4%  |
| <b>Number of employees</b> | 1-10                      | 16              | 13.0% |
|                            | 11-50                     | 45              | 36.6% |
|                            | 51-200                    | 39              | 31.7% |
|                            | 201-500                   | 14              | 11.4% |
|                            | More than 500             | 9               | 7.3%  |
| <b>Geographic location</b> | Jenin                     | 5               | 4.1%  |
|                            | Tulkarm                   | 4               | 3.3%  |
|                            | Tubas                     | 2               | 1.6%  |
|                            | Qalqilya                  | 4               | 3.3%  |
|                            | Nablus                    | 26              | 21.1% |
|                            | Salfit                    | 0               | 0.0%  |
|                            | Jericho                   | 12              | 9.8%  |

|                            |                 |    |       |
|----------------------------|-----------------|----|-------|
|                            | Ramallah        | 38 | %30.9 |
|                            | Jerusalem       | 10 | 8.1%  |
|                            | Bethlehem       | 9  | 7.3%  |
|                            | Hebron          | 13 | 10.6% |
| <b>Quality certificate</b> | ISO 9001        | 31 | 25.2% |
|                            | ISO 14001       | 34 | 27.6% |
|                            | ISO 45001       | 22 | 17.9% |
|                            | Other           | 36 | 29.3% |
| <b>Organization market</b> | Local market    | 96 | 78.0% |
|                            | Regional market | 23 | 18.7% |
|                            | Global market   | 4  | 3.3%  |

### 4.3 Assessment of constructs implementation

Descriptive statistics were used to assess the research variables in the targeted companies. It describes the implementation level of TQM practices, EMO and SOP, and the predictable level of environmental uncertainty in these companies. Responses were classified into seven equal grades shown in Table (4). These grades are calculated by dividing the response range (7-1=6) by the number of levels (7 levels) in the Likert scale. That equals 0.86, this number is used to determine the intervals of the mean score shown in Table (4).

Table 4: Intervals of levels of implementation

| <b>Mean score</b>      | <b>Level of implementation</b> |
|------------------------|--------------------------------|
| 1 to less than 1.86    | Very low                       |
| 1.86 to less than 2.72 | Low                            |
| 2.72 to less than 3.58 | slightly low                   |
| 3.58 to less than 4.44 | Moderate                       |
| 4.44 to less than 5.3  | slightly high                  |

|                       |           |
|-----------------------|-----------|
| 5.3 to less than 6.16 | High      |
| 6.16 - 7              | Very high |

Table (5) shows the mean and standard deviation of the study variables. The results indicate that the implementation of TQM is high. The results show that the overall mean of TQM practices implementation level is (5.360), while the overall mean of EMO and SOP are (5.207) and (5.224), respectively. EU level is moderate with an average mean of (3.723). The results show a high level of TQM adoption, process management has the highest level (5.590), followed by leadership (5.578), customer focus (5.454), strategic planning (5.358) and HRM (5.242). Information and analysis showed the lowest implementation level (4.935). For employee outcomes, the results revealed that learning level was the highest (5.445), followed by ability (5.405), opportunities (4.998), and finally, motivation (4.981). The results of the EU show that heterogeneity is the highest dimension of the EU dimensions with (4.899), followed by dynamism (3.549), munificence (3.340), and finally, hostility (3.103). Regarding the SOP, the results show that the economic performance has the highest level (5.542), followed by social performance (5.376), and the minimum implementation level was for environmental performance (4.754). Appendix (3) presents the detailed descriptive results of each indicator of the study variables.

Table 5: Descriptive Analysis

| <b>Code</b>          | <b>Mean</b>  | <b>Std.<br/>deviation</b> | <b>Implementation level</b> |
|----------------------|--------------|---------------------------|-----------------------------|
| <b>TQM practices</b> | <b>5.360</b> | <b>1.610</b>              | <b>High</b>                 |

|                       |              |              |                      |
|-----------------------|--------------|--------------|----------------------|
| Avg_L                 | 5.578        | 1.362        | High                 |
| Avg_HRM               | 5.242        | 1.688        | slightly high        |
| Avg_SrP               | 5.358        | 1.616        | High                 |
| Avg_CF                | 5.454        | 1.652        | High                 |
| Avg_IA                | 4.935        | 1.834        | slightly high        |
| Avg_PM                | 5.590        | 1.506        | High                 |
| <b>EMO</b>            | <b>5.207</b> | <b>1.772</b> | <b>slightly high</b> |
| Avg_AB                | 5.405        | 1.631        | High                 |
| Avg_MO                | 4.981        | 1.866        | slightly high        |
| Avg_OP                | 4.998        | 1.898        | slightly high        |
| Avg_LE                | 5.445        | 1.694        | High                 |
| <b>EU</b>             | <b>3.723</b> | <b>1.924</b> | <b>Moderate</b>      |
| Avg_UNM               | 3.340        | 2.001        | slightly low         |
| Avg_UND               | 3.549        | 1.912        | slightly low         |
| Avg_UNH               | 3.103        | 1.661        | slightly low         |
| Avg_UNHE              | 4.899        | 2.120        | slightly high        |
| <b>SOP Dimensions</b> | <b>5.224</b> | <b>1.615</b> | <b>slightly high</b> |
| Avg_EP                | 4.754        | 1.635        | slightly high        |
| Avg_SP                | 5.376        | 1.640        | High                 |
| Avg_Eco               | 5.542        | 1.570        | High                 |

Smart PLS is used to analyze data. It is a leading software for PLS-SEM. The PLS-SEM technique consists of two steps. First is the assessment of the measurement model, which includes validity and reliability testing. Secondly, the structural model provides for hypothesis testing.

#### **4.4 SEM- PLS Analysis**

##### **4.4.1 Assessment of the Measurement Model (Outer Model)**

The assessment of the outer model is to determine validity and reliability. Reliability can be measured using Cronbach's alpha (CA) and Composed Reliability (CR). CA and CR values above 0.7 are considered good indicators (Hair et al., 2011). Higher CR values indicate higher levels of reliability. Values between 0.6 and 0.7 are considered acceptable, values between 0.7 and 0.9 are satisfactory to good, and values of 0.95 and higher are problematic since they indicate that the items are redundant, thus reducing construct validity (Hair et al., 2019; Diamantopoulos et al., 2012; Drolet & Morrison, 2001). Values above 0.95 also indicate possible undesirable response patterns, leading to inflated correlations among the indicators' error terms (Hair et al., 2019). According to Vinzi et al. (2010), CR is a better reliability measurement than CA in structural equations. In CA calculation, items are given equal weights, but in CR, items are weighted based on the construct indicators' loadings. Table (6) shows all constructions are reliable since all CR values are higher than 0.6 and lower than 0.95.

Validity is measured using convergent validity by examining item reliability (factor loadings) and discriminant validity. Factor loadings were calculated using the PLS algorithm. According to Hair et al. (2014), the factor loading of the indicator, CR, and average variance extracted (AVE) must be considered to establish convergent validity. According to Hair et al. (2016), the factor loading should be above 0.708, and the AVE value should be higher than 0.50 to be adequate for

convergent validity. Values in Table (6) indicate an acceptable level of indicator validity. After data screening and evaluation, indicators with factor loading values less than 0.708 were removed from the analysis. After evaluating the data, we removed some items to enhance the discriminant validity and improve the fitness of the model.

Table 6: Results of the Measurement Model

| <b>Construct</b> | <b>Items</b> | <b>Item Loading</b> | <b>CA</b> | <b>CR</b> | <b>AVE</b> |
|------------------|--------------|---------------------|-----------|-----------|------------|
| <b>L</b>         | L1           | 0.777               | 0.782     | 0.859     | 0.604      |
|                  | L2           | 0.772               |           |           |            |
|                  | L3           | 0.761               |           |           |            |
|                  | L4           | 0.798               |           |           |            |
| <b>HRM</b>       | HRM1         | 0.805               | 0.885     | 0.921     | 0.744      |
|                  | HRM2         | 0.895               |           |           |            |
|                  | HRM3         | 0.875               |           |           |            |
|                  | HRM4         | 0.871               |           |           |            |
| <b>SrP</b>       | Srp1         | 0.842               | 0.82      | 0.893     | 0.736      |
|                  | Srp2         | 0.888               |           |           |            |
|                  | Srp3         | 0.843               |           |           |            |
| <b>CF</b>        | CF1          | 0.833               | 0.884     | 0.915     | 0.683      |
|                  | CF2          | 0.869               |           |           |            |
|                  | CF3          | 0.842               |           |           |            |
|                  | CF4          | 0.818               |           |           |            |

|           |     |       |       |       |       |
|-----------|-----|-------|-------|-------|-------|
|           | CF5 | 0.770 |       |       |       |
| <b>IA</b> | IA1 | 0.873 | 0.876 | 0.924 | 0.801 |
|           | IA2 | 0.938 |       |       |       |
|           | IA3 | 0.873 |       |       |       |
| <b>PM</b> | PM1 | 0.818 | 0.815 | 0.878 | 0.643 |
|           | PM2 | 0.829 |       |       |       |
|           | PM3 | 0.781 |       |       |       |
|           | PM4 | 0.779 |       |       |       |
| <b>AB</b> | AB1 | 0.927 | 0.891 | 0.932 | 0.822 |
|           | AB2 | 0.901 |       |       |       |
|           | AB3 | 0.890 |       |       |       |
| <b>MO</b> | MO2 | 0.912 | 0.88  | 0.907 | 0.735 |
|           | MO3 | 0.878 |       |       |       |
|           | MO6 | 0.832 |       |       |       |
| <b>OP</b> | OP1 | 0.885 | 0.888 | 0.931 | 0.818 |
|           | OP2 | 0.909 |       |       |       |
|           | OP3 | 0.919 |       |       |       |
| <b>LE</b> | LE1 | 0.868 | 0.757 | 0.861 | 0.675 |
|           | LE2 | 0.762 |       |       |       |
|           | LE3 | 0.831 |       |       |       |

|            |       |       |       |       |       |
|------------|-------|-------|-------|-------|-------|
| <b>EU</b>  | UND3  | 0.842 | 0.904 | 0.933 | 0.776 |
|            | UNH3  | 0.884 |       |       |       |
|            | UNHE1 | 0.868 |       |       |       |
|            | UNM1  | 0.928 |       |       |       |
| <b>EP</b>  | EP1   | 0.891 | 0.863 | 0.907 | 0.709 |
|            | EP2   | 0.885 |       |       |       |
|            | EP3   | 0.808 |       |       |       |
|            | EP4   | 0.777 |       |       |       |
| <b>SP</b>  | SP1   | 0.873 | 0.885 | 0.920 | 0.743 |
|            | SP2   | 0.872 |       |       |       |
|            | SP4   | 0.855 |       |       |       |
|            | SP5   | 0.848 |       |       |       |
| <b>Eco</b> | Eco1  | 0.858 | 0.889 | 0.921 | 0.693 |
|            | Eco2  | 0.858 |       |       |       |
|            | Eco3  | 0.833 |       |       |       |
|            | Eco4  | 0.774 |       |       |       |
|            | Eco5  | 0.836 |       |       |       |

Regarding discriminant validity and variable correlation, we did the Fornell- Larcker test and determined the Heterotrait-Monotrait ratio of correlations (HTMT). Fornell-Lacker criterion compares the square root of the average variance extracted (AVE) with the correlation of latent

constructs. The latent construct should explain its indicator's variance better than other latent constructs. Therefore, the square root of each construct's AVE should be higher than the correlations with other latent constructs (Abd Hamid et al., 2017), as shown in Table (7).

Table 7: Fornell-Larcker criterion - Discriminant Validity

|         | L         | HR<br>M   | SrP       | CF        | IA        | PM        | AB        | MO        | OP | LE | EU | EP | SP | Eco |
|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----|----|----|----|----|-----|
| L       | 0.77<br>7 |           |           |           |           |           |           |           |    |    |    |    |    |     |
| HR<br>M | 0.72<br>9 | 0.86<br>2 |           |           |           |           |           |           |    |    |    |    |    |     |
| SrP     | 0.71<br>1 | 0.78<br>8 | 0.85<br>8 |           |           |           |           |           |    |    |    |    |    |     |
| CF      | 0.64<br>9 | 0.69<br>2 | 0.64<br>9 | 0.82<br>7 |           |           |           |           |    |    |    |    |    |     |
| IA      | 0.65<br>1 | 0.74<br>2 | 0.64<br>1 | 0.64<br>1 | 0.89<br>5 |           |           |           |    |    |    |    |    |     |
| PM      | 0.66<br>2 | 0.78<br>1 | 0.69<br>0 | 0.65<br>9 | 0.65<br>5 | 0.80<br>2 |           |           |    |    |    |    |    |     |
| AB      | 0.76<br>9 | 0.80<br>8 | 0.77<br>3 | 0.73<br>0 | 0.68<br>7 | 0.73<br>9 | 0.90<br>6 |           |    |    |    |    |    |     |
| MO      | 0.73<br>7 | 0.83<br>4 | 0.76<br>8 | 0.66<br>8 | 0.75<br>1 | 0.75<br>2 | 0.82<br>0 | 0.85<br>8 |    |    |    |    |    |     |

|     |                |                |                |                |                |            |                |                |                |       |            |           |           |           |
|-----|----------------|----------------|----------------|----------------|----------------|------------|----------------|----------------|----------------|-------|------------|-----------|-----------|-----------|
| OP  | 0.72<br>5      | 0.80<br>1      | 0.74<br>8      | 0.72<br>2      | 0.78<br>5      | 0.73<br>3  | 0.80<br>7      | 0.83<br>4      | 0.90<br>4      |       |            |           |           |           |
| LE  | 0.65<br>1      | 0.66<br>8      | 0.71<br>5      | 0.67<br>6      | 0.56<br>4      | 0.63<br>6  | 0.76<br>5      | 0.78<br>1      | 0.68<br>5      | 0.821 |            |           |           |           |
| EU  | -<br>0.73<br>5 | -<br>0.77<br>1 | -<br>0.73<br>1 | -<br>0.69<br>2 | -<br>0.71<br>6 | -<br>-0.73 | -<br>0.83<br>4 | -<br>0.82<br>5 | -<br>0.86<br>1 | -0.8  | 0.881      |           |           |           |
| EP  | 0.48<br>7      | 0.61<br>9      | 0.56<br>4      | 0.44<br>9      | 0.59<br>7      | 0.59<br>2  | 0.52<br>8      | 0.61<br>8      | 0.51<br>4      | 0.416 | -<br>0.519 | 0.84<br>2 |           |           |
| SP  | 0.76<br>8      | 0.82<br>4      | 0.82<br>4      | 0.70<br>3      | 0.71<br>1      | 0.76<br>3  | 0.80<br>9      | 0.84<br>8      | 0.84<br>8      | 0.774 | -0.85      | 0.50<br>8 | 0.86<br>2 |           |
| Eco | 0.7<br>0.7     | 0.73<br>1      | 0.74<br>5      | 0.72<br>5      | 0.65<br>2      | 0.71<br>1  | 0.80<br>7      | 0.77<br>8      | 0.75<br>2      | 0.71  | -<br>0.788 | 0.46<br>2 | 0.75<br>6 | 0.83<br>2 |

Henseler et al. (2015) state that HTMT values less than 0.9 indicate discriminant validity. Results show in Table (8) that some HTMT values are slightly larger than 0.9. Therefore, the bootstrapping procedure (complete) was implemented to one-sided confidence intervals with a significant level of 0.05 for the HTMT. The HTMT is significantly lower than 1 (by looking at the upper bound of HTMT's bootstrap confidence interval), which indicates sufficient discriminant validity (Henseler *et al.*, 2015).

Table 8: Heterotrait-Monotrait Ratio (HTMT) - Discriminant Validity –

|     | AB    | CF    | EP    | EU    | Eco   | HRM   | IA    | L     | LE    | MO    | OP    | PM    | SP    | SrP |
|-----|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----|
| AB  |       |       |       |       |       |       |       |       |       |       |       |       |       |     |
| CF  | 0.822 |       |       |       |       |       |       |       |       |       |       |       |       |     |
| EP  | 0.585 | 0.506 |       |       |       |       |       |       |       |       |       |       |       |     |
| EU  | 0.925 | 0.77  | 0.579 |       |       |       |       |       |       |       |       |       |       |     |
| Eco | 0.905 | 0.82  | 0.52  | 0.871 |       |       |       |       |       |       |       |       |       |     |
| HRM | 0.908 | 0.779 | 0.701 | 0.859 | 0.82  |       |       |       |       |       |       |       |       |     |
| IA  | 0.776 | 0.726 | 0.674 | 0.796 | 0.734 | 0.84  |       |       |       |       |       |       |       |     |
| L   | 0.922 | 0.782 | 0.577 | 0.869 | 0.838 | 0.869 | 0.78  |       |       |       |       |       |       |     |
| LE  | 0.934 | 0.827 | 0.504 | 0.929 | 0.864 | 0.818 | 0.684 | 0.844 |       |       |       |       |       |     |
| MO  | 0.945 | 0.772 | 0.717 | 0.994 | 0.867 | 0.972 | 0.869 | 0.901 | 0.959 |       |       |       |       |     |
| OP  | 0.908 | 0.814 | 0.577 | 0.932 | 0.879 | 0.901 | 0.883 | 0.870 | 0.833 | 0.962 |       |       |       |     |
| PM  | 0.868 | 0.776 | 0.701 | 0.846 | 0.833 | 0.919 | 0.769 | 0.825 | 0.81  | 0.905 | 0.861 |       |       |     |
| SP  | 0.911 | 0.794 | 0.569 | 0.947 | 0.850 | 0.929 | 0.800 | 0.920 | 0.944 | 0.980 | 0.946 | 0.899 |       |     |
| SrP | 0.904 | 0.762 | 0.634 | 0.846 | 0.875 | 0.929 | 0.751 | 0.883 | 0.900 | 0.922 | 0.876 | 0.844 | 0.930 |     |

The multi-collinearity factor was evaluated using the variance inflation factor (VIF). O'Brien (2007) considered the threshold for VIF value to be ten. On the other hand, Becker et al. (2015) suggested that multi-collinearity can occur at the value of 3. According to Hair et al. (2019), VIF values of five or less indicate the non-existence of multi-collinearity. The results presented in Table (9) shows that all elements are under 5, which means that multi-collinearity does not exist.

Table 9: VIF values

| <b>Construct</b> | <b>VIF value</b> |
|------------------|------------------|
| AB               | 4.144            |
| CF               | 2.313            |
| EP               | 1.374            |
| Eco              | 2.383            |
| HRM              | 4.516            |
| IA               | 2.493            |
| L                | 2.621            |
| LE               | 2.823            |
| MO               | 4.651            |
| OP               | 3.895            |
| PM               | 2.879            |
| SP               | 2.526            |
| SrP              | 3.055            |
| UND3             | 2.172            |
| UNH3             | 2.788            |
| UNHE1            | 2.659            |
| UNM1             | 3.752            |
| EU x EMO         | 1                |

After assessing the examinations of the measurement model, we can conclude that the model is reliable and valid. Figure (2) shows the adopted measurement model.

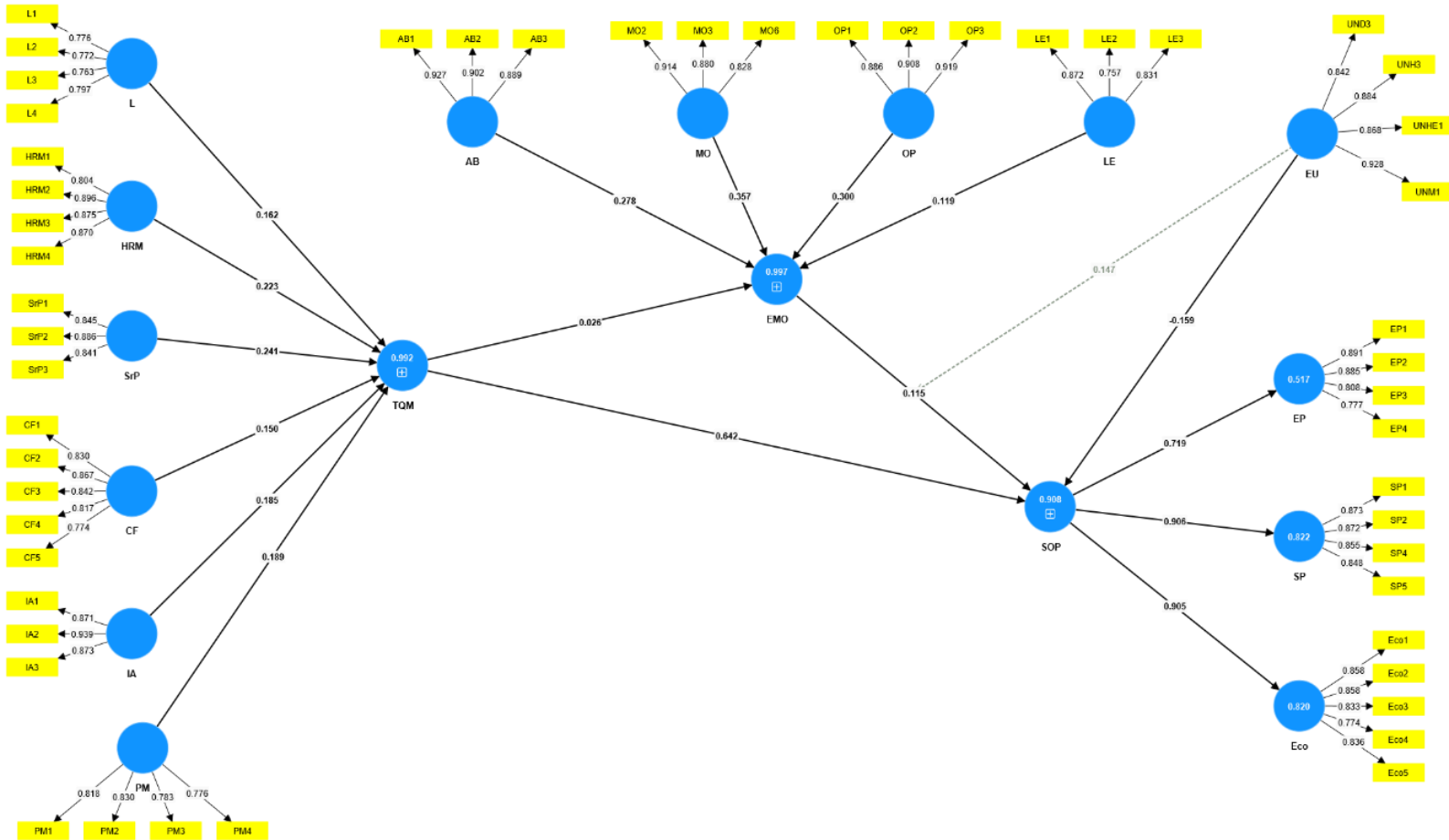


Figure 2: The measurement model.

#### 4.4.2 Assessment of Structural Model (Inner Model)

After the measurement model has been confirmed, it's time to investigate the structural model and examine the construct's relationships. There are several techniques for assessing the structural model; four main tests were used: the coefficient of determination ( $R^2$ ), the predictive relevance ( $Q^2$ ), the effect size ( $f^2$ ), and the significance of the path coefficients.

#### 4.4.2.1 The coefficient of determination ( $R^2$ )

Examining the coefficient of determination ( $R^2$ ) is the first step in assessing the structural model. It represents the model's predictive accuracy.  $R^2$  measures the model's explanatory power and represents the variance proportion in an endogenous construct.  $R^2$  values range between 0 and 1; higher values indicate higher accuracy and explanatory power. As a guideline,  $R^2$  values above 0.67 are considered substantial, 0.33-0.67 are moderate, 0.19-0.33 are weak, and less than 0.19 are unacceptable (Chin, 1998). Based on the Table (10) below, dependent variables had achieved a high score of  $R^2$ .

#### 4.4.2.2 The Predictive Relevance ( $Q^2$ )

It is important to examine the  $Q^2$  measure. It is a predictive relevance that measures how much the path model can predict the endogenous variable.  $Q^2$  value is determined using the Blindfolding procedure. If the  $Q^2$  value is greater than zero for the endogenous construct, then exogenous constructs have predictive relevance for this construct (Hair et al., 2011). Table (10) shows  $Q^2$  values, which suggests that the model has sufficient predictive quality.

Table 10:  $R^2$  and  $Q^2$  result

|            | $R^2$ | <b>R-square adjusted</b> | $Q^2$ |
|------------|-------|--------------------------|-------|
| <b>EMO</b> | 0.868 | 0.867                    | 0.843 |
| <b>SOP</b> | 0.900 | 0.896                    | 0.862 |

#### 4.4.2.3 The Effect Size ( $f^2$ )

The effect size ( $f^2$ ) measures the impact of each exogenous variable on the endogenous construct.  $f^2$  measures the changes in  $R^2$  value when one of the exogenous constructs is removed from the

model; it is used to evaluate whether the deleted construct has a substantive effect on the endogenous constructs. If the variable has a  $f^2$  value less than 0.02, it has no effect size; 0.02-0.15 is a small effect size; 0.15-0.35 is a medium-sized effect; above 0.35, it has a large effect size (Cohen, 1988).

Table (11) shows the value of  $f^2$  for the exogenous variables. TQM and EMO explain the endogenous variable SOP with  $f^2$  values of 0.437 and 0.014, respectively. Therefore, the effect of TQM on SOP is high, while EMO has no effect on SOP, TQM has a very high effect on EMO with an  $f^2$  value of 6.596, and EU has a small effect on SOP with an  $f^2$  value of 0.056.

Table 11:  $f^2$  values

| <b>Construct</b>                | <b><math>f^2</math> values</b> | <b>Result</b>     |
|---------------------------------|--------------------------------|-------------------|
| <b>The effect of EMO on SOP</b> | 0.014                          | No effect         |
| <b>The effect of EU on SOP</b>  | 0.056                          | Small effect size |
| <b>The effect of TQM on EMO</b> | 6.596                          | Large effect size |
| <b>The effect of TQM on SOP</b> | 0.437                          | Large effect size |

#### 4.4.2.4 Goodness of Fit (GOF)

The GOF model measures the ability to rely on the developed model for the measurement and structural models. It shows the level at which the study model is fit. Hu and Bentler (1999) and Hair et al. (2021) said a model fits well if the Standardized Root Mean Squared Error (SRMR) equals or less than 0.08. The SRMR is a standardized measure of the discrepancy between the data correlation matrix and the estimated model correlation matrix (Yamin, 2022).

Maydeu et al. (2010) suggested that the Normed Fit Index (NFI) ranges between 0 and 1; the closer the value to 1, the better the fit. It is used to evaluate the adequacy of a model in explaining the relationships between observed variables and latent constructs. Based on these criteria, Table (12) values indicate that the model fits well.

Table 12: Model Fit

|                   | <b>Saturated model</b> | <b>Estimated model</b> |
|-------------------|------------------------|------------------------|
| <b>SRMR</b>       | 0.049                  | 0.06                   |
| <b>d_ULS</b>      | 0.361                  | 0.555                  |
| <b>d_G</b>        | 0.389                  | 0.547                  |
| <b>Chi-square</b> | 239.59                 | 321.274                |
| <b>NFI</b>        | 0.899                  | 0.865                  |

#### 4.4.2.5 The Significance of the Path Coefficients

The path coefficient is used to measure the path coefficient significance and to test the proposed hypothesis. It is estimated by running the PLS –algorithm. Bath coefficient values range from -1 to +1. Values closer to +1 indicate a strong positive relationship, while values closer to -1 represent a strong negative relationship. The bootstrapping procedure was used in this test; the results are shown in Table (13). The results show a significant positive relationship between TQM practices and SOP, with ( $\beta = 0.589$ , T-value = 6.649, p-value = 0.000) supporting *H1*. Investigating the effect of TQM practices on EMO revealed a significant positive relationship with ( $\beta = 0.932$ , T-value = 56.718, p-value = 0.000); hence, *H2* is supported. On the other hand, the results show no significant relationship between EMO and SOP ( $\beta = 0.146$ , T-value = 1.472, p-value = 0.141);

hence *H3* is unsupported. In addition, the results indicate that EMO does not mediate the relationship between TQM and SOP ( $\beta = 0.136$ ,  $T = 1.455$ ,  $p\text{-value} = 0.146$ ); therefore, *H4* is unsupported. Finally, *H5* is proved ( $\beta = 0.143$ ,  $T = 2.430$ ,  $p\text{-value} = 0.015$ ), and EU moderates the relationship between EMO and SOP.

Table 13: Path Coefficient of the Research Hypotheses

| Path              | Hypothesis | $\beta$ -value | Std.Dev. | T-value | P-value | Result      |
|-------------------|------------|----------------|----------|---------|---------|-------------|
| TQM -> SOP        | H1         | 0.589          | 0.089    | 6.649   | 0.000   | Supported   |
| TQM -> EMO        | H2         | 0.932          | 0.016    | 56.718  | 0.000   | Supported   |
| EMO -> SOP        | H3         | 0.146          | 0.099    | 1.472   | 0.141   | Unsupported |
| TQM -> EMO -> SOP | H4         | 0.136          | 0.093    | 1.455   | 0.146   | Unsupported |
| EU x EMO -> SOP   | H5         | 0.143          | 0.059    | 2.430   | 0.015   | Supported   |

#### 4.4.2.6 Moderating Test

As mentioned before, the results indicated the moderating effect of the EU on the relationship between EMO and SOP. Figure (3) of the simple slope plot also proved the same result. It shows that for high EU (+1 standard deviation below the mean; green line), we have a stronger relationship (steeper line) between EMO and SOP. But, when the EU is weak (-1 standard deviation above the mean; red line), EMO has no real effect on SOP.

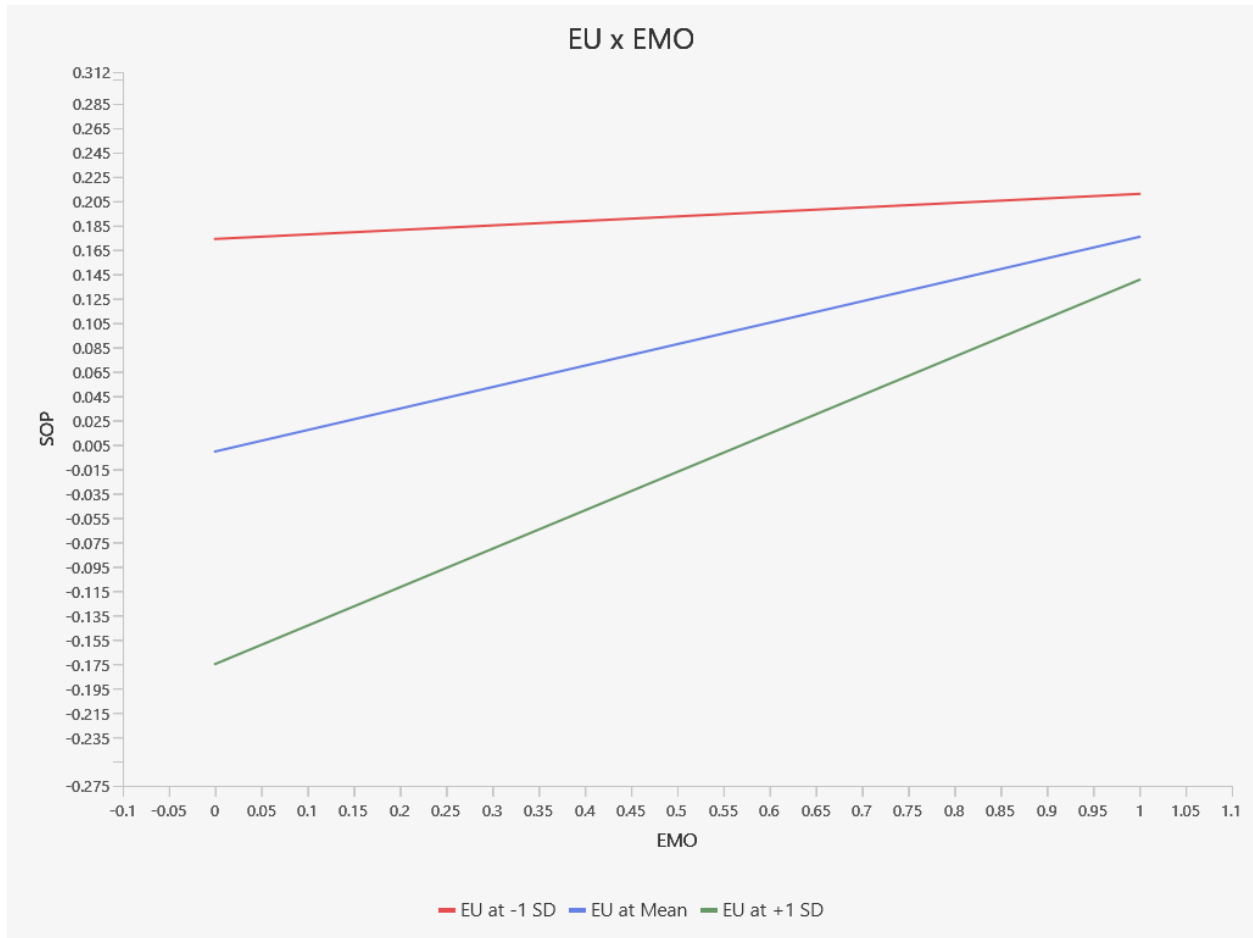


Figure 3: Slope analysis for the moderator

## **Chapter Five**

### **Discussion**

#### **5.1 Overview**

In this chapter, the results are discussed. The relationships between variables are interpreted, and then the explanation of the tested hypothesis are addressed.

#### **5.2 Discussion of Results**

After the assessment of the results, the following theoretical implications are addressed:

##### **5.2.1 TQM & SOP**

This study explores the impact of TQM techniques and EMO on SOP in the face of environmental uncertainty. The relationship between TQM and SOP has been introduced in the first hypothesis. The results show that TQM directly, positively, and significantly affects SOP. This means that the proper adoption of TQM practices improves an organization's environmental, social, and economic performance. This finding is similar to those of other earlier studies that looked into the same relationship (Hassis et al., 2023; Abbas, 2020; Ali & Johl, 2022). This positive relationship is attributable to the set of TQM practices that focus on continuous improvement.

TQM provides the base for superior environment performance since it aims to minimize resources used during the processes and increase resource utilization, leading to an increase in the entire system efficiency, defects elimination, and reduction in operational costs and time wasted, which in return will improve quality, enhance customer satisfaction, and improve the financial performance of the company. Furthermore, Abbas (2020) and Yuan & Xiang (2018) asserted that TQM procedures influence social performance, which shapes the company's reputation in the eyes

of customers, hence improving customer loyalty. This observation is consistent with the results of Todorut (2012) and Kang et al. (2015). According to (Shahzad et al., 2019), organizations ignore the social aspect of sustainability, as it is the least measurable dimension.

Iqbal and ul-Haq (2018) mentioned the social benefits behind quality improvement, including greater customer satisfaction, societal acceptance, and employee integration. For Valmohammadi and Roshanzamir (2015), the benefits of TQM are related to the company position, productivity increase, and the ability to adapt to changing conditions.

Siddiqui and Rahman (2007) evaluated the impact of TQM implementation and concluded that it contributes to maintenance, cost reduction, productivity reduction, service quality superiority, customer satisfaction, reduction of time consumed on production, and human resources optimization. Sun et al. (2004) and Talib et al. (2011) focused on the contribution of TQM in enhancing business performance and confirmed that several researchers agreed that quality improvement leads to sustainable competitive advantage. All these outputs of TQM directly and indirectly affect SOP.

The results show a positive relationship between TQM practices and economic performance. This relates to the findings of Singh et al. (2018) and Al-Qahtani et al. (2015). One explanation of this relationship is that TQM practices improve the operational performance of the firm (Abbas, 2020; Sharma & Modgil, 2020), TQM implementation leads to employee satisfaction (Abu-Doleh, 2012), which leads to an improvement in the operational performance (Hassan et al., 2014). TQM also helps the organization to build a competitive advantage over other competitors (Narula et al., 2018) due to its role in reducing operating costs and defects, which leads to enhanced quality of the provided services and products (Abbas, 2020). TQM also has a direct impact on quality,

efficiency, innovation, and delivery (Prajogo, 2007; Ochieng et al., 2015), all of which are regarded as significant aspects of operational success (Sharma & Modgil, 2020).

Other TQM practices, such as customer focus, are a key factor affecting the three dimensions of SOP. They enhance a firm's financial results and employee satisfaction (Anaza & Rutherford, 2012; Chotekorakul & Nelson, 2013). They also directly and indirectly affect cost benefits, employee satisfaction, and innovation (Krivokapic et al., 2013; Anaza & Rutherford, 2012).

According to García-Alcaraz et al. (2019), the major benefit of TQM implementation is the economic SOP, including different operational and social benefits. It helps in increasing productivity and reducing costs. Singh et al. (2018) claimed lower waste and reprocessing costs, leading to higher customer loyalty and retention levels and, therefore, higher financial profitability and dividends for shareholders. York and Miree (2004) have a similar opinion. TQM practices affect economic performance, including product sales and financial profitability. On the other hand, AdrianaTisca et al. (2015) believed that TQM implementation is risky since the benefits depend on the quality level of the firm.

### **5.2.2 TQM & EMO**

The second hypothesis analyzed the relationship between TQM practices and EMO. The results show that TQM positively and significantly influences EMO, represented by the AMO model. TQM practices have a positive effect on employees' abilities, motivation, opportunities, and learning skills. This result is consistent with other studies, such as Morrow (1997) and Hwang et al. (2020), who investigated the relationship between soft TQM practices and EMO. First, the results support the relationship between TQM and employee abilities, including employee skills, employee ability to solve job-related problems, and employee ability to take necessary job-related

decisions. TQM builds a working environment in which employees gain the ability and commitment to enhance productivity and, therefore, achieve organizational objectives (Obeidat et al., 2018).

As Karia and Asaari (2006) suggested, organizations that apply TQM practices improve their employee satisfaction and commitment. Satisfied employees contribute to continuous improvement (Sadi Koglu & Zehir, 2010), deliver high-quality services (Al-Refaie, 2015), and share knowledge and improve their work performance (Arsić et al., 2012; Ayupp & Kong, 2010; Lee et al., 2015). Continuous improvement is an element of TQM, which leads to better performance by building customer satisfaction and improving labor capabilities and skills (Aartsengel & Kurtoglu, 2013).

Secondly, the results show a positive relationship between TQM implementation and employee motivation. This means that employees are satisfied and motivated in organizations that apply TQM practices. This result could be explained by the fact that TQM contains HRM practices that contribute to employees' motivation, including the improvement of the work environment and internal communication, employee empowerment, and teamwork. According to TQM, quality is about the workforce. They are the fundamental pillar of the firm's success. Therefore, TQM adopters are investing in their employees and providing them with the best work environment that keeps them motivated and satisfied.

Thirdly, TQM practices positively affect employee opportunities. Much other researches proved this relationship. Kuta and Abdulwaheed (2022) concluded that TQM empowers employees and offers them opportunities to participate and contribute. In addition, Amin et al. (2017) found that TQM initiatives provide employees with opportunities to enrich their motivation and achieve their career objectives, using their abilities and skills to improve their work quality. Chang et al. (2010)

and Arsic et al. (2012) highlighted the importance of taking employees into account in the decision-making process by their managers to increase their loyalty and commitment. Hwang et al. (2020) discovered that soft TQM techniques improve employees' preparedness for change, resulting in improved commitment and lower turnover intentions. According to Yazdani (2022), TQM improves employees' behavior characterized by some indicators such as absenteeism, turnover and retention. Based on the study of Antony et al. (2002), TQM initiatives have improved employee involvement, communication, and productivity. All these outputs of TQM reinforce employees' opportunities in the organization.

Finally, this research confirms the effect of TQM on learning. This result was also presented in Sohal & Morrison (1995), Martinez-Costa & Jimenez (2008) (2009), Hackman & Wageman (1995), Yazdani (2022), Hendricks & Singhal (2001), Martinez- Lorente et al. (2000), Terziovski & Samson (2000), Hung et al. (2011) suggested that leadership and HRM practices are the main forces of organizational learning. This result is due to some of TQM practices that allow employees to earn new expertise and information, including interaction and communication with other employees, training, teamwork, and periodic evaluation of performance.

### **5.2.3 EMO and SOP**

Based on the results, H3 was not supported. The results do not represent a positive relationship between EMO characterized by the elements of the AMO model and SOP. It was contrary to the results of some previous studies, which found that EMO positively affect organizational performance (Ogbonnaya & Valizade, 2016; Ruzic, 2015; Boselie et al., 2005; Boselie, 2010; Choi & Eboch, 1998; Boxall & Purcell, 2003) studied this relationship indirectly, who found that the AMO theory enhances green HRM practices and employees' productivity, which improves organizational performance. Organizations with talented employees who have enough abilities and

knowledge, are motivated, and have the opportunity to engage should expect to see higher performance.

The strong effect of the contingent variable may explain the result of H3. Recently, many QM researchers studied the effect of contingency variables, contrary to HRM and especially AMO-performance studies. Usually, the relationship between EMO and SOP has been investigated in the absence of the contingent effect (Snape & Redman, 2010; Becker & Gerhart, 1996; Delery & Doty, 1996; Huselid, 1995).

In the fifth hypothesis, the moderating effect of the EU on the relationship between EMO and SOP is analytically proven. According to the masking of effects rule by Montgomery (2001), if the effect of the moderator is high, it may hide the direct effect of the main variables.

#### **5.2.4 The Mediating Effect of EMO**

Data testing shows no mediating effect of EMO on the relationship between TQM practices and SOP. This is obvious since there is no significant relationship between the mediator effect (EMO) and the dependent effect (SOP) (Hayes, 2017).

#### **5.2.5 The Moderating Effect of the EU**

H5 in this research investigated the contingency effect of EU. It was analytically proven that high levels of EU affect the relationship between EMO and SOP. CT consideration is one of the contributions of this study. The results show that EMO effectively respond to the environment of the organization; when the environment in which the organization performs is highly uncertain, employees try to be more skilled, flexible, and motivated. This result is also agreed upon by Zhang & Lv (2015) and Jensen et al. (2009). In such situations, skilled, motivated, and participating

employees are considered valuable assets to the organization. Employees with the needed skills, knowledge, and decision-making skills can assess the situation and suggest possible solutions. Moreover, motivated employees keen to achieve organizational goals are always open to new knowledge and opportunities, which could rescue the organization in a turbulent environment (Zhang & Lv, 2015). Finally, employees who participate more in the organization take responsibility for the organizational benefits. Organizational performance is higher in conditions of environmental uncertainty than in stable situations.

The results show that the EU, presented in four dimensions (munificence, dynamism, hostility, and heterogeneity), influences the relationship between EMO and SOP. A munificence environment benefits organization, including governmental incentives, lower taxes, robust infrastructure, technical knowledge (Decarolis & Deeds, 1999), and lower interest rates and insurance premiums for projects that serve the environment. Abundant resources, high customer demand, and high sales levels characterize it. It allows the firm to obtain resources and develop other capabilities, giving it superiority over other competitors in generating organizational capabilities (McEvily & Zaheer, 1999).

In a dynamic market where customer preferences, technologies, or competitor practices constantly change, the organization needs all members to collect data and information and suggest new ideas and solutions. Organizations must improve EMO to achieve the needed performance level. A dynamic environment increases the need for collective efforts from employees; in contrast, in a stable environment with routinized and standardized tasks, the need for collective entrepreneurial capability is decreased (Yan & Yan, 2017). The findings indicate that the more dynamic the environment is, the more significant the contribution of collective efforts. Organizations often see

dynamic environments as opportunities, not as threats, and they are willing to rely on the collective efforts of their employees to benefit from these opportunities (Yan & Yan, 2017).

Wang et al. (2012) sees technological turbulence as a motivator to adopt TQM practices. Yazdani (2022) does not support this point because of the distance between the Iranian automobile part manufacturers and the innovative technologies used by abroad manufacturers due to the limited Iranian international trade with other countries and the absence of needed resources to invest in new technologies, technological turbulence considered as a curse, not a blessing. Such factors hide the moderating effect of environmental dynamism.

As mentioned before, hostility captures the degree of competition and governmental control in the market. In highly competitive service fields, competitors must enhance and grow their performance to the TQM (Yazdani, 2022). Competition may bring benefits for organizations to improve and grow. In the case of Yazdani (2022), competition led to a higher level of employee attitude, learning, and motivation, which led to performance improvement. Competition could result from higher productivity, better quality, higher customer satisfaction, and reduced costs. Competition is a significant factor in improving organizations. Here comes the role of the government in raising domestic competition by applying motivational practices and supporting firms to improve their performance and technologies (Yazdani, 2022). According to the Palestinian Ministry of Economy (2020), Palestinian enterprises are divided into 88.6% microenterprises, 7.4% small enterprises, 2.6% medium-sized enterprises and 1.4% large enterprises, with modest capacities and technological development, which limits their competition capabilities.

Environmental heterogeneity means that the elements of the population that the firm deals with in its external environment are different from each other (Aldrich, 1979; Khandwalla, 1973); these elements include individuals, organizations, and any other social element that affects its

operations. This means the company has to deal with very different types of customers with different characteristics, preferences, and needs. This could be a motivator for the company to delegate power to employees and involve them in the decision-making process (Miller & Friesen, 1983). A high degree of environmental heterogeneity could provide the organization with both opportunities and threats. In a heterogenic environment, new market niches appear, bringing new market opportunities. A heterogenic environment increases the load on an organization regarding the administration, marketing, production, and other areas of business. It requires a collective effort from employees, adequate skills and capabilities, and a good motivation level. In this situation, employees need to have the opportunity to participate and make decisions to respond to the diverse needs and provide a good performance.

## Chapter Six

### Conclusions and Recommendations

#### 6.1 Overview

In this chapter, a conclusion about the study is addressed. Moreover, recommendations for service providers are highlighted. In this chapter, limitations and suggestions for future research are also presented.

#### 6.2 Conclusions

This study investigates the relationship between TQM practices, EMO, and SOP in EU. The study shows that TQM practices positively impact SOP. The study employed SOP to present a large perspective of SOP; it covers three main performance dimensions (environmental, social, and economic).

The study adopted the AMO framework to present EMO. Most previous QM studies have used limited people-related indicators such as employee satisfaction, turnover and absenteeism rate, which is not enough to measure the impact of QM on employees. On the other hand, the AMO framework represents a wider range of EMO. The results indicate a positive relationship between TQM practices and EMO. It shows that TQM practices can improve EMO. This contribution filled the gap between QM theory and the AMO framework and proved that TQM works as a complementary tool to HRM practices to improve performance.

The second contribution of the study is considering the contingency variable. It investigates the contingent effect of EU in the relationship between EMO and SOP. Very few studies adopted the

CT in a similar study context. The findings revealed that the EU moderates the relationship between EMO and SOP. An uncertain environment carries many opportunities for companies; it enhances EMO, which leads to improving SOP. Employees feel more responsible in such situations and work on improving their skills and abilities to maintain a good level of performance. They are more motivated and committed to their jobs and have a higher level of organizational learning. Management needs to adopt a flexible structure, enhance internal communication and cooperation, and support employees by increasing their participation, involvement, and training to convert a turbulent situation into an opportunity to grow.

The context of the study is considered the third contribution. The study was conducted in the Palestinian service sector. Most TQM studies conducted in Palestine focused on the manufacturing sector. Furthermore, the Palestinian economy faces exceptional circumstances due to all the political and economic situations it is undergoing. So, applying the results of studies conducted in other stable or mature economies in the Palestinian market is challenging. The service sector is the driver of the Palestinian economy, so it is essential to understand what factors affect it. This paper studied the service sector, so the results and theories apply to different fields.

### **6.3 Recommendations**

Considering the discussed results, several recommendations are presented to the Palestinian service sector:

- Service providers need to be more aware of quality concepts in general and TQM practices in particular. They will notice an improvement in their EMO and an improvement in their SOP.

- EU carries opportunities to enhance SOP when management has the wisdom to focus on its internal customers.
- The workforce is the main foundation of your success, so invest in it.
- Environmental performance is as important as economic and social performance and neglecting it will negatively affect the other two performance dimensions.
- The company gains social support by improving TQM practices and EMO, including a positive reputation and positioning and high loyalty rates, reflected in the financial situation.

#### **6.4 Research Limitations and Future Research**

The current research faced some limitations. First, it was conducted during an extraordinary political situation, so we could not include the Gaza Strip in the study. The political situation in the West Bank has made data collection difficult. Second, the study was conducted in an area with special conditions, which may limit the generalization of the results in other regions. This study adopted the EU as a contingent variable; we suggest that an ongoing trend of contextual aspects, such as size, culture, location...etc., should be applied in future research. Future studies may consider a broader range of respondents, not only people at the management level. It could be implemented in the Palestinian manufacturing sector. Research variables could be explained by a different set of constructs and structures to suit each company, field or country. The analysis does not show whether these different companies are reaching their potential performance levels by adopting the same TQM practices and EMO dimensions. Therefore, organizations should be aware that some of the desired outcomes of TQM may not be achieved due to lack of fit and it must establish a more suitable fit based on the organizations' unique characteristics. Researchers could

use the current research model as a guideline in implementing other researches in different contexts.

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## Appendices

### Appendix (1): Questionnaire in English language.

الجامعة العربية الأمريكية  
ARAB AMERICAN UNIVERSITY



Arab American University-Palestine

Faculty of Graduate Studies

Quality Management Program

**Total Quality Management, Employee Outcomes, and Environmental Uncertainty:  
Unveiling the Dynamic Nexus for Sustainable Organizational Performance in Palestinian  
Service Sector**

Dear Participant,

Thank you for taking the time to respond to this questionnaire. I am Lina Thabet, a student from AAUP. I am pursuing a master's degree in quality management, and this survey is an integral part of fulfilling the thesis requirements. All provided information will be used exclusively for scientific purposes and will be treated with utmost confidence.

This questionnaire consists of five sections and is designed to be completed within approximately 15 minutes. Your participation is highly appreciated and will significantly contribute to the success of this research.

Thank you for your cooperation.

Sincerely,

Lina

Master's Candidate in Quality Management

Questionnaire sections:

Section 1: Eligibility to Participate in the Survey

Section 2: Demographic Information.

Section 3: Total quality management practices.

Section 4: Employee outcomes.

Section 5: Environmental uncertainty.

Section 6: Sustainable Organizational Performance.

|  |  |   |
|--|--|---|
|  | Section One: Eligibility to Participate in the Survey: |   |
| E1   | Does your company apply quality practices?             | <input type="radio"/> YES<br><input type="radio"/> NO |
| If your answer is (YES) to the previous question, please complete the questionnaire. |  |   |

| Section Two: Demographic Information |               |  |
|--------------------------------------|---------------|--|
| DI1                                  | Gender        | <input type="radio"/> Female<br><input type="radio"/> Male   |
| DI2                                  | Qualification | <input type="radio"/> Diploma<br><input type="radio"/> Bachelor's<br><input type="radio"/> Master's<br><input type="radio"/> PhD and above   |
| DI3                                  | Department    | <input type="radio"/> Quality assurance<br><input type="radio"/> Sales<br><input type="radio"/> HR<br><input type="radio"/> Marketing<br><input type="radio"/> Procurement<br><input type="radio"/> Finance<br><input type="radio"/> Operations<br><input type="radio"/> Information technology<br><input type="radio"/> Research and development<br><input type="radio"/> Customer service<br><input type="radio"/> Other, please specify _____ |
| DI4                                  | Job position  | <input type="radio"/> Supervisor<br><input type="radio"/> Specialist<br><input type="radio"/> Unit Head<br><input type="radio"/> Section Head<br><input type="radio"/> Manager   |

|     |                     |  |
|-----|---------------------|--|
|     |                     | <ul style="list-style-type: none"> <li>○ Regional manager</li> <li>○ Director</li> <li>○ Other, please specify_____</li> </ul>   |
| DI5 | Organization sector | <ul style="list-style-type: none"> <li>○ Telecommunications</li> <li>○ Trading</li> <li>○ Banking</li> <li>○ Insurance</li> <li>○ Education</li> <li>○ Hospitality</li> <li>○ Health care</li> <li>○ consultancy</li> <li>○ Information Technology</li> <li>○ Marketing and Advertising</li> <li>○ Media Services</li> <li>○ Legal Services</li> <li>○ Other, please specify_____</li> </ul> |
| DI6 | Organization type   | <ul style="list-style-type: none"> <li>○ Family business</li> <li>○ Private joint stock</li> <li>○ Public joint stock</li> <li>○ Other, please specify_____</li> </ul>   |

|     |  |  |
|-----|--|--|
| DI7 | Number of employees in the organization          | <input type="radio"/> 1-10<br><input type="radio"/> 11-50<br><input type="radio"/> 51-200<br><input type="radio"/> 201-500<br><input type="radio"/> More than 500  |
| DI8 | Geographic location                              | <input type="radio"/> Jenin<br><input type="radio"/> Tulkarm<br><input type="radio"/> Tubas<br><input type="radio"/> Qalqilya<br><input type="radio"/> Nablus<br><input type="radio"/> Salfit<br><input type="radio"/> Jericho<br><input type="radio"/> Ramallah<br><input type="radio"/> Jerusalem<br><input type="radio"/> Bethlehem<br><input type="radio"/> Hebron |
| DI9 | What quality certificate does your company have? | <input type="radio"/> ISO 9001 for quality management<br><input type="radio"/> ISO 14001 for environmental management<br><input type="radio"/> ISO 45001 for health and safety management<br><input type="radio"/> Other, Please specify.....  |

|      |  |  |
|------|--|--|
| DI10 | Where does your company provide its services (you can choose more than one option) | <input type="radio"/> Local market<br><input type="radio"/> Regional market<br><input type="radio"/> Global market |
|------|--|--|

| Section three: TQM Practices   |   |                   |          |                   |           |                |       |                |
|--|---|-------------------|----------|-------------------|-----------|----------------|-------|----------------|
| In this section, please choose the number that represents the best description, noting that the higher number indicates the higher degree of approval. |   |                   |          |                   |           |                |       |                |
| Code   | Clause  | 1                 | 2        | 3                 | 4         | 5              | 6     | 7              |
|  |   | Strongly Disagree | Disagree | Slightly Disagree | Undecided | Slightly Agree | Agree | Strongly Agree |
| Leadership   |   |                   |          |                   |           |                |       |                |
| L1   | Top management applies quality management and continuous improvement. |                   |          |                   |           |                |       |                |
| L2   | Top management provide needed resources for quality improvement.      |                   |          |                   |           |                |       |                |

|                                 |   |  |  |  |  |  |  |  |
|---------------------------------|---|--|--|--|--|--|--|--|
| L3                              | Top management make plans for creating culture of learning and change.  |  |  |  |  |  |  |  |
| L4                              | Top management regularly review quality-related results.  |  |  |  |  |  |  |  |
| Human Resource Management (HRM) |   |  |  |  |  |  |  |  |
| HRM1                            | The management gives high value to recruitment and selection criteria.  |  |  |  |  |  |  |  |
| HRM2                            | The organization maintains a work environment that contributes to the health, safety and well-being of all employees. |  |  |  |  |  |  |  |
| HRM3                            | The company has effective “top-down” and “bottom-up” communication process.   |  |  |  |  |  |  |  |

|                    |   |  |  |  |  |  |  |  |
|--------------------|---|--|--|--|--|--|--|--|
| HRM4               | The organization regularly examines employee satisfaction.  |  |  |  |  |  |  |  |
| HRM5               | The supervisors encourage employees to work as a team.  |  |  |  |  |  |  |  |
| HRM6               | The organization provides job security for employees.   |  |  |  |  |  |  |  |
| Strategic Planning |   |  |  |  |  |  |  |  |
| STP1               | The company has a clear vision and mission statements which are supported by all employees.           |  |  |  |  |  |  |  |
| STP2               | The organization sets and reviews short and long-term goals through a comprehensive planning process. |  |  |  |  |  |  |  |
| STP3               | Determined policies and plans take the needs of   |  |  |  |  |  |  |  |

|      |  |  |  |  |  |  |  |  |
|------|--|--|--|--|--|--|--|--|
|      | stakeholders into account.   |  |  |  |  |  |  |  |
| STP4 | The organization uses performance measures to track the progress of action plans.    |  |  |  |  |  |  |  |
|      | Customer Focus   |  |  |  |  |  |  |  |
| CF1  | Periodic market studies are conducted to identify customers' needs and expectations. |  |  |  |  |  |  |  |
| CF2  | Customers' requirements are taken into consideration when designing new services.    |  |  |  |  |  |  |  |
| CF3  | The organization measures and analyses customer satisfaction and dissatisfaction.    |  |  |  |  |  |  |  |
| CF4  | The organization resolves customer   |  |  |  |  |  |  |  |

|                          |  |  |  |  |  |  |  |  |
|--------------------------|--|--|--|--|--|--|--|--|
|                          | complaints promptly and effectively.   |  |  |  |  |  |  |  |
| CF5                      | There are effective communication channels with customers that help build a strong relationship with them.     |  |  |  |  |  |  |  |
| Information and analysis |  |  |  |  |  |  |  |  |
| IA1                      | The organization has information system that allows access and utilization of customer preference information. |  |  |  |  |  |  |  |
| IA2                      | Various statistical tools and techniques (Charts, Graphs, and other) are used to monitor services quality.     |  |  |  |  |  |  |  |
| IA3                      | Top management uses quality data to make decisions and plans.  |  |  |  |  |  |  |  |
| Process Management       |  |  |  |  |  |  |  |  |

|     |  |  |  |  |  |  |  |  |
|-----|--|--|--|--|--|--|--|--|
| PM1 | Process instructions are standardized and documented.                              |  |  |  |  |  |  |  |
| PM2 | Employees understand process instructions well.                                    |  |  |  |  |  |  |  |
| PM3 | Processes are designed to minimize the chances of employee errors.                 |  |  |  |  |  |  |  |
| PM4 | The organization continuously improves the processes used to provide its services. |  |  |  |  |  |  |  |

|   |        |                   |          |                   |           |                |       |                |
|---|--------|-------------------|----------|-------------------|-----------|----------------|-------|----------------|
| Section Four: Employee Outcomes   |        |                   |          |                   |           |                |       |                |
| In this section please choose the number that represents the best description, noting that the higher number indicates the higher degree of approval. |        |                   |          |                   |           |                |       |                |
| Code  | Clause | 1                 | 2        | 3                 | 4         | 5              | 6     | 7              |
|   |        | Strongly Disagree | Disagree | Slightly Disagree | Undecided | Slightly Agree | Agree | Strongly Agree |

|    |   |  |  |  |  |  |  |  |
|----|---|--|--|--|--|--|--|--|
|    | Abilities   |  |  |  |  |  |  |  |
| A1 | Our employees have the required skills and abilities to do their job effectively. |  |  |  |  |  |  |  |
| A2 | Our employees have the ability to systematically solve job-related problems.      |  |  |  |  |  |  |  |
| A3 | Employees can make the necessary decisions to carry out their jobs.               |  |  |  |  |  |  |  |
|    | Motivation  |  |  |  |  |  |  |  |
| M1 | The workplace motivates the employees to get the best of themselves.              |  |  |  |  |  |  |  |
| M2 | Employees' job satisfaction is in a good level.                                   |  |  |  |  |  |  |  |
| M3 | The company has a good incentives system.   |  |  |  |  |  |  |  |

|             |   |  |  |  |  |  |  |  |
|-------------|---|--|--|--|--|--|--|--|
| M4          | The company has a good appraisal system.  |  |  |  |  |  |  |  |
| M5          | Compensations are determined based on the performance appraisal report.                     |  |  |  |  |  |  |  |
| M6          | Employees receive enough compliments and positive feedback regarding their innovation work. |  |  |  |  |  |  |  |
| Opportunity |   |  |  |  |  |  |  |  |
| O1          | Employees have the opportunity to participate in decision-making.                           |  |  |  |  |  |  |  |
| O2          | The organization has succeeded in retaining employees.                                      |  |  |  |  |  |  |  |
| O3          | Employees can express their ideas about how processes can be                                |  |  |  |  |  |  |  |



|     |   |  |  |  |  |  |  |  |
|-----|---|--|--|--|--|--|--|--|
|     | Munificence   |  |  |  |  |  |  |  |
| M1  | Growth in consumer demand within the industry is.             |  |  |  |  |  |  |  |
| M2  | Growth in industry sales is.                                  |  |  |  |  |  |  |  |
| M3  | Current market share changes are.                             |  |  |  |  |  |  |  |
|     | Dynamism  |  |  |  |  |  |  |  |
| DY1 | Changes in customers' preferences are.                        |  |  |  |  |  |  |  |
| DY2 | Actions of competitors are.                                   |  |  |  |  |  |  |  |
| DY3 | The technological breakthroughs used to provide services are. |  |  |  |  |  |  |  |
| DY4 | Change in quality level accepted by customers is.             |  |  |  |  |  |  |  |
|     | Hostility   |  |  |  |  |  |  |  |
| H1  | Customers switching to competitors is.                        |  |  |  |  |  |  |  |

|               |   |                           |               |                           |                |                        |            |                        |
|---------------|---|---------------------------|---------------|---------------------------|----------------|------------------------|------------|------------------------|
| H2            | Price changes for competitors' services are.                |                           |               |                           |                |                        |            |                        |
| H3            | Competitors' marketing strategy changes are.                |                           |               |                           |                |                        |            |                        |
| H4            | Entrance of new competitors is.                             |                           |               |                           |                |                        |            |                        |
| H5            | Legal regulations affecting the business sector are.        |                           |               |                           |                |                        |            |                        |
| H6            | Current political situation is.                             |                           |               |                           |                |                        |            |                        |
| Heterogeneity |   |                           |               |                           |                |                        |            |                        |
| Code          | Clause  | 1<br>Strongly<br>Disagree | 2<br>Disagree | 3<br>Slightly<br>Disagree | 4<br>Undecided | 5<br>Slightly<br>Agree | 6<br>Agree | 7<br>Strongly<br>Agree |
| HE1           | In your industry, there is a wide range of consumer tastes. |                           |               |                           |                |                        |            |                        |
| HE2           | One of the main challenges you face is                      |                           |               |                           |                |                        |            |                        |

|     |  |  |  |  |  |  |  |  |
|-----|--|--|--|--|--|--|--|--|
|     | customizing services to suit different tastes.         |  |  |  |  |  |  |  |
| HE3 | Your market contains many different customer segments. |  |  |  |  |  |  |  |

|   |  |                           |               |                           |                |                        |            |                        |
|---|--|---------------------------|---------------|---------------------------|----------------|------------------------|------------|------------------------|
| Section Four: sustainable Organizational Performance  |  |                           |               |                           |                |                        |            |                        |
| In this section please choose the number that represents the best description, noting that the higher number indicates the higher degree of approval. |  |                           |               |                           |                |                        |            |                        |
| Code  | Clause   | 1<br>Strongly<br>Disagree | 2<br>Disagree | 3<br>Slightly<br>Disagree | 4<br>Undecided | 5<br>Slightly<br>Agree | 6<br>Agree | 7<br>Strongly<br>Agree |
| Environmental performance   |  |                           |               |                           |                |                        |            |                        |
| ENP1  | Increased purchase of environmentally friendly materials.                |                           |               |                           |                |                        |            |                        |
| ENP2  | Reduction in toxic materials/waste/emissions harmful to the environment. |                           |               |                           |                |                        |            |                        |

|                    |   |  |  |  |  |  |  |  |
|--------------------|---|--|--|--|--|--|--|--|
| ENP3               | Increased use of recyclable materials.  |  |  |  |  |  |  |  |
| ENP4               | Increased reliance on renewable energy sources to provide our services.                     |  |  |  |  |  |  |  |
| ENP5               | There is improvement in the use and efficiency of materials needed to provide our services. |  |  |  |  |  |  |  |
| Social performance |   |  |  |  |  |  |  |  |
| SP1                | Increased attention to workforce health and safety system.                                  |  |  |  |  |  |  |  |
| SP2                | Improving workforce capabilities, and increase their job satisfaction.                      |  |  |  |  |  |  |  |
| SP3                | Improving the quality of services provided and committing to society ethics.                |  |  |  |  |  |  |  |

|                      |   |  |  |  |  |  |  |  |
|----------------------|---|--|--|--|--|--|--|--|
| SP4                  | Improving coordination with stakeholders, including employees, customers, suppliers, partners, collaborators, shareholders, government...etc. |  |  |  |  |  |  |  |
| SP5                  | Improving community health and safety.  |  |  |  |  |  |  |  |
| SP6                  | The organization succeeded in building a positive public image of its own.  |  |  |  |  |  |  |  |
| Economic Performance |   |  |  |  |  |  |  |  |
| EP1                  | Improved financial performance since the implementation of quality practices.   |  |  |  |  |  |  |  |
| EP2                  | Increased market share during the past few years.   |  |  |  |  |  |  |  |

|     |   |  |  |  |  |  |  |  |
|-----|---|--|--|--|--|--|--|--|
| EP3 | Increased quality of the services provided while saving the operational costs.  |  |  |  |  |  |  |  |
| EP4 | Services\ offers provided are comparable to or better than those of competitors.  |  |  |  |  |  |  |  |
| EP5 | The key measures and results related to processes efficiency, effectiveness, capability, capacity or productivity have been improved. |  |  |  |  |  |  |  |

**Appendix (2): Descriptive Analysis**

| Code | Item  | Mean  | Standard deviation |
|------|---|-------|--------------------|
| L1   | Top management applies quality management and continuous improvement.   | 5.715 | 1.277              |
| L2   | Top management provide needed resources for quality improvement.  | 5.551 | 1.348              |
| L3   | Top management make plans for creating culture of learning and change.  | 5.595 | 1.336              |
| L4   | Top management regularly review quality-related results.  | 5.449 | 1.487              |
| HRM1 | The management gives high value to recruitment and selection criteria.  | 5.589 | 1.392              |
| HRM2 | The organization maintains a work environment that contributes to the health, safety and well-being of all employees. | 5.196 | 1.717              |
| HRM3 | The company has effective “top-down” and “bottom-up” communication process.   | 4.956 | 1.866              |
| HRM4 | The organization regularly examines employee satisfaction.  | 5.000 | 1.885              |
| HRM5 | The supervisors encourage employees to work as a team.  | 5.494 | 1.418              |
| HRM6 | The organization provides job security for employees.   | 5.215 | 1.849              |
| STP1 | The company has a clear vision and mission statements which are supported by all employees.                           | 5.392 | 1.627              |
| STP2 | The organization sets and reviews short and long-term goals through a comprehensive planning process.                 | 5.424 | 1.597              |
| STP3 | Determined policies and plans take the needs of stakeholders into account.  | 5.430 | 1.516              |
| STP4 | The organization uses performance measures to track the progress of action plans.                                     | 5.184 | 1.722              |
| CF1  | Periodic market studies are conducted to identify customers’ needs and expectations.                                  | 5.209 | 1.879              |
| CF2  | Customers’ requirements are taken into consideration when designing new services.                                     | 5.443 | 1.699              |
| CF3  | The organization measures and analyses customer satisfaction and dissatisfaction.                                     | 5.487 | 1.567              |
| CF4  | The organization resolves customer complaints promptly and effectively.   | 5.614 | 1.475              |
| CF5  | There are effective communication channels with customers that help build a strong relationship with them.            | 5.519 | 1.642              |
| IA1  | The organization has information system that allows access and utilization of customer preference information.        | 4.772 | 1.912              |
| IA2  | Various statistical tools and techniques (Charts, Graphs, and other) are used to monitor services quality.            | 4.886 | 1.861              |
| IA3  | Top management uses quality data to make decisions and plans.   | 5.146 | 1.730              |
| PM1  | Process instructions are standardized and documented.   | 5.544 | 1.500              |
| PM2  | Employees understand process instructions well.   | 5.595 | 1.441              |
| PM3  | Processes are designed to minimize the chances of employee errors.  | 5.500 | 1.595              |
| PM4  | The organization continuously improves the processes used to provide its services.                                    | 5.722 | 1.488              |
| A1   | Our employees have the required skills and abilities to do their job effectively.                                     | 5.443 | 1.610              |
| A2   | Our employees have the ability to systematically solve job-related problems.  | 5.405 | 1.596              |
| A3   | Employees can make the necessary decisions to carry out their jobs.   | 5.367 | 1.687              |

|      |   |       |       |
|------|---|-------|-------|
| M1   | The workplace motivates the employees to get the best of themselves.  | 4.975 | 1.895 |
| M2   | Employees' job satisfaction is in a good level.   | 5.006 | 1.843 |
| M3   | The company has a good incentives system.   | 4.892 | 1.874 |
| M4   | The company has a good appraisal system.  | 5.076 | 1.797 |
| M5   | Compensations are determined based on the performance appraisal report.   | 4.791 | 1.952 |
| M6   | Employees receive enough compliments and positive feedback regarding their innovation work.   | 5.146 | 1.833 |
| O1   | Employees have the opportunity to participate in decision-making.   | 4.804 | 1.989 |
| O2   | The organization has succeeded in retaining employees.  | 5.032 | 1.877 |
| O3   | Employees can express their ideas about how processes can be improved in the organization.  | 5.158 | 1.829 |
| LE1  | The organization often organizes internal training for employees.   | 5.044 | 2.036 |
| LE2  | Employees share knowledge and experiences with each other.  | 5.601 | 1.441 |
| LE3  | Employees are provided with feedback for performance.   | 5.690 | 1.604 |
| M1   | Growth in consumer demand within the industry is.   | 3.462 | 2.113 |
| M2   | Growth in industry sales is.  | 3.329 | 1.979 |
| M3   | Current market share changes are.   | 3.228 | 1.912 |
| DY1  | Changes in customers' preferences are.  | 3.475 | 2.108 |
| DY2  | Actions of competitors are.   | 3.000 | 1.752 |
| DY3  | The technological breakthroughs used to provide services are.   | 3.949 | 1.770 |
| DY4  | Change in quality level accepted by customers is.   | 3.772 | 2.019 |
| H1   | Customers switching to competitors is.  | 2.222 | 1.615 |
| H2   | Price changes for competitors' services are.  | 3.696 | 1.751 |
| H3   | Competitors' marketing strategy changes are.  | 3.519 | 1.808 |
| H4   | Entrance of new competitors is.   | 3.532 | 1.680 |
| H5   | Legal regulations affecting the business sector are.  | 3.614 | 1.631 |
| H6   | Current political situation is.   | 2.032 | 1.478 |
| HE1  | In your industry, there is a wide range of consumer tastes.   | 4.968 | 2.101 |
| HE2  | One of the main challenges you face is customizing services to suit different tastes.   | 4.861 | 2.070 |
| HE3  | Your market contains many different customer segments.  | 4.867 | 2.189 |
| ENP1 | Increased purchase of environmentally friendly materials.   | 4.519 | 1.751 |
| ENP2 | Reduction in toxic materials/waste/emissions harmful to the environment.  | 4.677 | 1.679 |
| ENP3 | Increased use of recyclable materials.  | 4.411 | 1.675 |
| ENP4 | Increased reliance on renewable energy sources to provide our services.   | 4.639 | 1.690 |
| ENP5 | There is improvement in the use and efficiency of materials needed to provide our services.   | 5.525 | 1.381 |
| SP1  | Increased attention to workforce health and safety system.  | 5.304 | 1.755 |
| SP2  | Improving workforce capabilities, and increase their job satisfaction.  | 5.108 | 1.818 |
| SP3  | Improving the quality of services provided and committing to society ethics.  | 5.538 | 1.483 |
| SP4  | Improving coordination with stakeholders, including employees, customers, suppliers, partners, collaborators, shareholders, government...etc. | 5.443 | 1.578 |
| SP5  | Improving community health and safety.  | 5.424 | 1.617 |
| SP6  | The organization succeeded in building a positive public image of its own.  | 5.437 | 1.586 |

|     |   |       |       |
|-----|---|-------|-------|
| EP1 | Improved financial performance since the implementation of quality practices.   | 5.449 | 1.626 |
| EP2 | Increased market share during the past few years.   | 5.513 | 1.567 |
| EP3 | Increased quality of the services provided while saving the operational costs.  | 5.468 | 1.661 |
| EP4 | Services\ offers provided are comparable to or better than those of competitors.  | 5.608 | 1.514 |
| EP5 | The key measures and results related to processes efficiency, effectiveness, capability, capacity or productivity have been improved. | 5.671 | 1.482 |

## الملخص

تعتبر دارة الجودة الشاملة (TQM) الركيزة الأساسية للأداء التنظيمي والميزة التنافسية والتميز. تتبع إدارة الجودة الشاملة منهجًا منظمًا يهدف إلى تحقيق أهداف تنظيمية طويلة المدى، ويُعتقد أنها قابلة للتطبيق في قطاعي التصنيع والخدمات. في هذه الدراسة، تمت دراسة إدارة الجودة الشاملة لفهم مساهماتها في الأداء التنظيمي المستدام (SOP) ونتائج الموظفين (EMO) في سياق قطاع الخدمات الفلسطيني. في بيئة الأعمال اليوم، أصبح الأداء التنظيمي المستدام ذا أهمية كبيرة ويحظى بأولوية عالية؛ إنه حجر الزاوية في استمرارية الأعمال. ومن ناحية أخرى، تتبنى هذه الدراسة نتائج الموظفين لتسليط الضوء على دور الموظفين في المنظمة. تتقاطع إدارة الجودة الشاملة وإدارة الموارد البشرية في تطوير ممارسات الموارد البشرية. تتضمن العديد من عناصر إدارة الجودة الشاملة عوامل بشرية، مثل مشاركة الموظفين وتمكينهم، والعمل الجماعي، والتواصل الداخلي، ودعم الإدارة.

تعتمد إدارة الجودة الشاملة على السياق. تلعب العوامل السياقية المختلفة دورًا في درجة نجاح تطبيق إدارة الجودة الشاملة وسيكون قبول تصور موحد لأي نموذج لإدارة الجودة الشاملة أمرًا محفوفًا بالمخاطر. يقيم هذا البحث التأثير المحتمل لعدم اليقين البيئي على العلاقة بين EMO و SOP. تم اعتماد نظريات مختلفة في هذا البحث، بما في ذلك نظرية إدارة الجودة، ونظرية الرؤية القائمة على الموارد (RBV)، ونموذج القدرة والتحفيز والفرصة (AMO)، ونظرية الطوارئ، لبناء العلاقات بين متغيرات البحث. تقدم هذه الدراسة بعض الأفكار المفيدة التي تسلط الضوء على الدور الرئيسي الذي تلعبه ممارسات إدارة الجودة الشاملة في تحسين EMO و SOP، مما ينعكس على رضا العملاء والجوانب التنظيمية الأخرى. كما يظهر تأثير عدم اليقين البيئي على المنظمات. وتم إجراء هذا البحث السببي للتحقيق في العلاقات بين المتغيرات. تم جمع البيانات الكمية الأساسية لهذه الدراسة باستخدام الاستبيانات. تم جمع وتحليل استجابات 123 موظفًا إداريًا من مختلف قطاعات الخدمات

الفلسطينية باستخدام نمذجة المعادلة الهيكلية بالمربعات الصغرى الجزئية (PLS-SEM). لقد وجد أن ممارسات إدارة الجودة الشاملة تؤثر بشكل إيجابي على نتائج الموظفين والأداء التنظيمي المستدام (SOP). وقد ثبت أيضاً أن عدم اليقين البيئي يعدل من العلاقة بين EMO و SOP. وعلى الجانب الآخر تشير النتائج إلى وجود علاقة سلبية بين نتائج الموظفين والأداء التنظيمي المستدام. كما يوضح أيضاً أن نتائج الموظفين لا تتوسط في العلاقة بين إدارة الجودة الشاملة والأداء التنظيمي المستدام. تساهم هذه الدراسة في أدبيات إدارة الجودة الشاملة وإدارة الموارد البشرية، وتوفر رؤى مفيدة حول تحسين الأداء التنظيمي المستدام ونتائج الموظفين من خلال اعتماد ممارسات إدارة الجودة الشاملة. واجه تنفيذ البحث بعض القيود بما في ذلك الوضع السياسي في الضفة الغربية وقطاع غزة الذي أعاق عملية جمع البيانات. يُقترح إجراء المزيد من الأبحاث المستقبلية لتغطية الجوانب السياقية الأخرى باستخدام متغيرات طارئة مختلفة، ويمكن للأبحاث المستقبلية الأخرى أيضاً أن تأخذ في الاعتبار نطاقاً أوسع من المستجيبين للحصول على فهم أوسع لهذا الموضوع.