THE IMPACT OF HRM PRACTICES ON EMPLOYEE PERFORMANCE AT THE MINISTRY OF AGRICULTURE AND FISHERIES IN OMAN THE MODERATING ROLE OF ORGANIZATIONAL JUSTICE

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\textbf{ARTICLE INFO} & \textbf{ABSTRACT} \\
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\textbf{Article history:} & \textbf{Purpose:} The purpose of this article is to examine the impact of HRM practices on employee performance in the Ministry of Agriculture and Fisheries in Oman, as well as the moderating role of organizational justice in this relationship. \\
Received 03 April 2023 & \textbf{Theoretical framework:} This study integrates theoretical perspectives on HRM practices, organizational justice, and employee performance. It posits that HRM practices have a direct positive impact on employee performance, while organizational justice moderates the relationship between these factors and employee performance. \\
Accepted 04 July 2023 & \textbf{Design/methodology/approach:} A survey questionnaire instrument was employed to collect data from 387 employees working at Ministry of Agriculture and Fisheries Wealth (MAFW) department in Oman. For analyzing the data, the SPSS v23 and Partial Least Square SEM using Smart-PLS 3.3. 9 were used to test the proposed hypotheses. \\
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\textbf{Keywords:} & \textbf{Findings:} The results revealed that HRM practices have a significant positive impact on employee performance. Organizational justice was found to moderate the relationship between HRM practices and employee performance, highlighting the importance of fairness and equity in the workplace. \\
Employee Performance; & \textbf{Research, Practical & Social implications:} The findings of this study provide valuable insights into how the Ministry of Agriculture and Fisheries in Oman can enhance its HRM practices to improve employee performance and achieve its objectives. The study's practical implications include the design of effective human resource management strategies that enhance employee performance and contribute to the organization's success. The social implications of the study include the creation of a positive work environment that promotes fairness and equity, leading to improved employee satisfaction and engagement. \\
Human Resource Management Practices; & \textbf{Originality/value:} This study adds to the literature on the effectiveness of HRM practices and organizational justice in enhancing employee performance in a specific context, namely the Ministry of Agriculture and Fisheries in Oman. The study also highlights the moderating role of organizational justice in the relationship between HRM practices and employee performance, contributing to the literature on the importance of fairness and equity in the workplace. \\
Organizational Justice; Ministry of Agricultural and Fisheries; Oman. & Doi: https://doi.org/10.26668/businessreview/2023.v8i7.2611 \\
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RESUMO
Objetivo: O objetivo deste artigo é examinar o impacto das práticas de GRH sobre o desempenho dos funcionários no Ministério da Agricultura e Pesca de Omã, bem como o papel moderador da justiça organizacional nessa relação.

Estrutura teórica: Este estudo integra perspectivas teóricas sobre práticas de GRH, justiça organizacional e desempenho dos funcionários. Ele postula que as práticas de GRH têm um impacto positivo direto sobre o desempenho dos funcionários, enquanto a justiça organizacional modera a relação entre esses fatores e o desempenho dos funcionários.

Projeto/metodologia/abordagem: Um instrumento de questionário de pesquisa foi empregado para coletar dados de 387 funcionários que trabalham no departamento Ministry of Agriculture and Fisheries Wealth (MAFW) em Omã. Para analisar os dados, o SPSS v23 e o Partial Least Square SEM usando o Smart-PLS 3.3. 9 foram usados para testar as hipóteses propostas.

Conclusões: Os resultados revelaram que as práticas de GRH têm um impacto positivo significativo no desempenho dos funcionários. Verificou-se que a justiça organizacional modera a relação entre as práticas de GRH e o desempenho dos funcionários, destacando a importância da justiça e da equidade no local de trabalho.

Implicações sociais, práticas e de pesquisa: As conclusões deste estudo fornecem informações valiosas sobre como o Ministério da Agricultura e Pesca de Omã pode aprimorar suas práticas de GRH para melhorar o desempenho dos funcionários e atingir seus objetivos. As implicações práticas do estudo incluem a elaboração de estratégias eficazes de gestão de recursos humanos que melhorem o desempenho dos funcionários e contribuam para o sucesso da organização. As implicações sociais do estudo incluem a criação de um ambiente de trabalho positivo que promova a justiça e a equidade, levando a uma maior satisfação e envolvimento dos funcionários.

Originalidade/valor: Este estudo contribui para a literatura sobre a eficácia das práticas de GRH e da justiça organizacional na melhoria do desempenho dos funcionários em um contexto específico, ou seja, o Ministério da Agricultura e Pesca de Omã. O estudo também destaca o papel moderador da justiça organizacional na relação entre as práticas de GRH e o desempenho dos funcionários, contribuindo para a literatura sobre a importância da justiça e da equidade no local de trabalho.

Palavras-chave: Desempenho dos Funcionários, Práticas de Gestão de Recursos Humanos, Justiça Organizacional, Ministério da Agricultura e da Pesca, Omã.

EL IMPACTO DE LAS PRÁCTICAS DE GRH EN EL DESEMPEÑO DE LOS EMPLEADOS DEL MINISTERIO DE AGRICULTURA Y PESCA EN OMÁN: EL PAPEL MODERADOR DE LA JUSTICIA ORGANIZACIONAL

RESUMEN
Propósito: El propósito de este artículo es examinar el impacto de las prácticas de GRH en el rendimiento de los empleados del Ministerio de Agricultura y Pesca de Omán, así como el papel moderador de la justicia organizativa en esta relación.

Marco teórico: Este estudio integra perspectivas teóricas sobre las prácticas de GRH, la justicia organizativa y el rendimiento de los empleados. Postula que las prácticas de GRH tienen un impacto positivo directo en el rendimiento de los empleados, mientras que la justicia organizativa modera la relación entre estos factores y el rendimiento de los empleados.

 Diseño/metodología/enfoque: Se empleó un instrumento de encuesta tipo cuestionario para recoger datos de 387 empleados que trabajaban en el departamento de Riqueza del Ministerio de Agricultura y Pesca (MAFW) de Omán. Para analizar los datos se utilizó el programa SPSS v23 y el SEM de mínimos cuadrados parciales con Smart-PLS 3.3. 9 para comprobar las hipótesis propuestas.

 Conclusiones: Los resultados revelaron que las prácticas de gestión de recursos humanos tienen un impacto positivo significativo en el rendimiento de los empleados. Se comprobó que la justicia organizativa modera la relación entre las prácticas de GRH y el rendimiento de los empleados, lo que pone de relieve la importancia de la justicia y la equidad en el lugar de trabajo.

Implicaciones sociales, prácticas y de investigación: Las conclusiones de este estudio proporcionan información valiosa sobre cómo el Ministerio de Agricultura y Pesca de Omán puede mejorar sus prácticas de GRH para mejorar el rendimiento de los empleados y alcanzar sus objetivos. Las implicaciones prácticas del estudio incluyen el diseño de estrategias eficaces de gestión de recursos humanos que mejoren el rendimiento de los empleados y contribuyan al éxito de la organización. Las implicaciones sociales del estudio incluyen la creación de un entorno...

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de trabajo positivo que promueve la justicia y la equidad, y que conduzca a una mayor satisfacción y compromiso de los empleados.

Originalidad/valor: Este estudio contribuye a la bibliografía sobre la eficacia de las prácticas de gestión de recursos humanos y la justicia organizativa para mejorar el rendimiento de los empleados en un contexto específico, a saber, el Ministerio de Agricultura y Pesca de Omán. El estudio también pone de relieve el papel moderador de la justicia organizativa en la relación entre las prácticas de GRH y el rendimiento de los empleados, contribuyendo a la literatura sobre la importancia de la justicia y la equidad en el lugar de trabajo.

Palabras clave: Rendimiento de los Empleados, Prácticas de Gestión de Recursos Humanos, Justicia Organizativa, Ministerio de Agricultura y Pesca, Omán.

INTRODUCTION

Employee performance become a significant issue that represents the provision of adequate and healthy working conditions, which are expressed in the workforce and contribute to the organization's strategic objectives (Jalagat, 2017). There are numerous factors that can influence employee performance levels, as they are regarded as one of the most important causes of concern for governments, organizations, and society as a whole (Vratskikh et al., 2016). As a result, organizations must analyze and study these factors, as well as work to develop them, because job performance is the primary way in which employees contribute to their productivity. Furthermore, there are various factors that can influence workplace performance (Ariani, 2023).

In a similar vein, Omani Agriculture and fisheries sectors have been plugged by human resource problems. In Ministry of Oman agricultural and fisheries, there is a lack clarity in goals, strategic vision, and there is no communication between the top management and employees (Qatan Ahmed, 2020). Moreover, there is a lack of training courses, and unfair evaluation between best performing and poor performing employees (Mohammed Musallem, 2020; Saeed, 2020). Similarly, Mohammed Musallem, (2020) asserted that the lack of incentives and fairness in the two sectors led to a decrease in the performance of employees, which caused the rate of decrease in production.

Likewise, previous literature shows that organizational justice plays an important role in explaining many behavioral outcomes in organizations (Imran et al., 2015). However, there are limited studies that examine employee performance with organizational justice as a moderating variable, particularly in Middle East public sector. Thus, the current study discusses the role of organizational justice as a moderating variable and its impact on employee performance. There are three forms of justice that have appeared in justice literature are distributive justice (Adams, 1965; fairness of outcomes/ rewards received), procedural justice (Lind & Tyler, 1988; Thibaut & Walker, 1975; fairness of procedures/processes
followed to arrive at the outcomes), and interactional justice (Greenberg, 1993; fairness of interactions, interpersonal sensitivity and treatment received from those in authoritative positions).

Due to lack of research on the moderating effect of organizational justice (OJ) on the relationship between HRM practices (HRMP), and employee performance (EP), this study will explore this issue in the public sector setting, particularly in the Ministry of Oman agriculture and fisheries.

Therefore, this study aims to examine the impact of HRM practices on employee performance in the Ministry of Agriculture and Fisheries in Oman, and the moderating role of organizational justice in this relationship. The findings of this study will provide valuable insights into how the organization can enhance its HRM practices to improve employee performance and achieve its objectives.

Thus, the research questions of this study are: 1. To what extent the impact on the human resource management practices and employee performance in Ministry of Oman agriculture and fisheries? 2. To what extent the organizational justice has moderating impact on the relationship between human resource management practices and employee performance in Ministry of Oman agriculture and fisheries?

LITERATURE REVIEW AND HYPOTHESES

Oman MAF

Oman is situated on the southeaster corner of the Arabian Peninsula, by a total land area of 309,500 km² and has common boundaries with Saudi Arabia, the UAE, and Yemen. It faces the Arabian Gulf, Oman Gulf, and the Arabian Sea (Tannous, 2020). The Ministry of Agriculture and Fisheries (MAF) is Oman's sole authority responsible for managing its agriculture and fisheries resources. Meanwhile, the agriculture and fisheries sectors are vital. Thus, The MAF was established to improve agriculture and fisheries-related sectors. Furthermore, the area of arable land occupies 2 million hectares, representing 7% of the Sultanate's total area, and only 2.5% is used for agriculture (Fisheries, 2020). Hence, the agricultural sector in the Sultanate faces many challenges and problems that prevent its development. The most important problems faced are the fragmented agricultural holdings, small farm sizes, and drawbacks of traditional farming. This vital sector also dependent on expatriate workforce, and poor marketing affects the sector (Al-Abdali, 2017). Meanwhile, the Sultanate has a coastline of almost 3,265 km. The fisheries sector suffers from poor
marketing and lack of proper market place, and many Omani fish traders have to export their produce to neighboring markets (Al-Dahli, 2018).

**Employee Performance**

In most theories on management and organizational psychology, employee performance is basically used as one important dependent variable, which affects organizational goals (Udin, 2023). Furthermore, Campbell (1990) stated that behavior refers to the actions that people take to perform work, while results refer to the effect of a person's job behavior (Dalal et al., 2020). Nevertheless, the substantial correlation between the two constructs is unclear, as the expected outcome is influenced by factors including motivation and cognitive skills than the behavioral aspect. Employee performance can also be divided into task performance and contextual performance (Gajendran et al., 2015). Task performance includes job-specific tasks, which include fundamental job responsibilities specified as part of job descriptions (Hosie & Nankervis, 2016). Contextual performance is an attitude such as volunteering for extra work, helping others solve difficult tasks, retaining excitement at work, coordinating with others when required, sharing critical resources and information for organizational development, adhering to established rules and regulations and supporting organizational change decisions for the better (Pradhan et al., 2018).

**Human Resource Management Practices**

For a long time, public and semipublic organizations have borrowed Human Resource Management (HRM) practices from the private sector to enhance employee performance (Blom et al., 2020). Human resource management (HRM) is a system that consists of philosophy, policies, and practices (Sadek, 2016). Human resource management practices are the strategic approach to the effective management of people in the organization to achieve a competitive advantage and It is created to maximize employee performance in service of an employer's strategic objectives (Noe et al., 2017). HRM is a result of the human relations effort of the early 20th century when scholars began documenting ways of creating business value through the strategic management of the workforce (Rotich, 2015).

Further, there are several definitions of human resources management. Pandey (2018); Schuler & Jackson (1987) described human resources management as a management activity group aligned with organizational goals. It is a set of activities used by organizations to manage their employees. Human resources tasks include a variety of practices including
training and development, compensation, recruitment and selection, employee appraisal (Khan et al., 2019).

**Organizational Justice**

Organizational justice is currently a favoured topic in organizational behaviour and human resources research (Imran & Allil, 2016). Iqbal, (2017) recognized three types of organizational justice namely distributive, procedural and interpersonal. Distributive justice can be defined as how people perceive the distribution of rewards among employees in an organization, where it shows a rational diffusion of benefits from various forms of work that organizational members consider to be fair and equitable (Kalay, 2016). Procedural justice is how individuals perceive their choices made under different organizational systems and the treatment given by the organizations (Wolfe et al., 2018). Interactional justice is the nature of an individual, relational treatment when applied (Hao et al., 2016).

Various empirical studies found that employees react negatively to unfair treatment by expressing rage, criminal behavior, hating their supervisors, and taking revenge (Ezeh et al., 2018). If individuals feel treated unfairly, they can be subjected to psychological imbalances resulting in various irresponsible and negatively impact organizational resources. Such activities include fraud, vandalism, sabotage, decreased citizenship behavior, removal, and reluctance to comply with policy (unwilling to change) (Arnéguy et al., 2018).

Furthermore, Previous studies such as (Khurram et al., 2020; Salamat & Didekhani, 2017) studied organizational justice as moderator\{mediator. Most previous researches have ignored the role of organizational justice as moderating effect to human resource management practices and its impact on employee performance, hence the need for research on this. Organizational justice has been shown to play an essential role in employees’ affective and performance outcomes, particularly in uncertainties (Wang et al., 2015). These previous studies researched employee performance using various variables; however, the variables were not moderated by organizational justice.

**Hypothesis 1:** Does human resource management practices effect employee performance?

**Hypothesis 2:** Does Organizational justice has a moderating effect on the relationship between human resource management practices and employee performance?
The Impact of HRM Practices on Employee Performance at the Ministry of Agriculture and Fisheries in Oman: The Moderating Role of Organizational Justice

Variables Measurements

HRM Practices: Measured using a scale developed by Yusoff et al. (2020) that comprises items on recruitment and selection, training and development, performance management, and compensation and benefits.

Organizational Justice: Measured using a scale developed by Colquitt (2001) that comprises items on distributive justice, procedural justice, and interactional justice.

Employee Performance: Measured using a scale developed by Yusoff et al. (2020) that comprises items on task performance, contextual performance, and innovation performance.

The present study aims to contribute to the literature on the impact of HRM practices organizational justice on employee performance in the public sector context of Oman. The study will use a quantitative research design to collect data from employees at the Ministry of Agriculture and Fisheries in Oman. The data will be analyzed using descriptive and inferential statistics to examine the relationship between the independent and dependent variables and the moderating role of organizational justice in this relationship.
RESULTS AND DISCUSSION

Figure 1: Presented the AVE and factor loadings calculated through PLS-Algorithm.

Table 1: Construct Validity and Reliability

<table>
<thead>
<tr>
<th>Constructs</th>
<th>CA</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emp. Performance</td>
<td>0.963</td>
<td>0.967</td>
<td>0.674</td>
</tr>
<tr>
<td>HRM Practices</td>
<td>0.893</td>
<td>0.914</td>
<td>0.571</td>
</tr>
<tr>
<td>Org. Justice</td>
<td>0.944</td>
<td>0.953</td>
<td>0.691</td>
</tr>
</tbody>
</table>

Notes: CR: Composite Reliability; AVE: Average Variance Extracted; CA: Cronbach’s Alpha
Source: Prepared by the authors (2023)

The first criteria for analysing internal consistency of items is to check item level reliability. Factor loadings should be more than or equal to 0.50 or 50%, and outer loadings should not be smaller than 0.4. Cronbach’s alpha is higher than the recommended value of 0.70 and composite reliability is higher than the cut-off value of 0.7. Convergent validity is a set of observable variables that accurately captures the underlying theoretical notion. This study investigates it using the "Average Variance Extracted" (AVE) approach.

Table 1 shows that the AVE for each latent variable is greater than 0.5 (50%) on average, indicating that each construct can explain more than half of the variance in its measuring items. The Fornell-Larcker suggests that the square root of AVE should be greater than its connection with other variables, indicating discriminant validity exists.
Table 2: Discriminant Validity – Fornell and Larcker Criterion

<table>
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<tbody>
<tr>
<td>Emp. Performance</td>
<td>0.821</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HRM Practices</td>
<td>0.21</td>
<td>0.756</td>
<td></td>
</tr>
<tr>
<td>Org. Justice</td>
<td>0.191</td>
<td>0.155</td>
<td>0.831</td>
</tr>
</tbody>
</table>

Note: The off-diagonal values are the correlations between latent variables, and the diagonal is the square root of AVE.

Source: Prepared by the authors (2023)

Table 3: Path coefficient result

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>OS/Beta</th>
<th>SD</th>
<th>95% Confidence Interval Corrected</th>
<th>Bias Corrected</th>
<th>T</th>
<th>P</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: HRM Practices -&gt; Emp. Perf.</td>
<td>0.164</td>
<td>0.061</td>
<td>0.039</td>
<td>0.271</td>
<td>2.699</td>
<td>0.007</td>
<td>Significant</td>
</tr>
<tr>
<td>H2: OJ*HRMP -&gt; Emp. Perf.</td>
<td>0.121</td>
<td>0.057</td>
<td>0.021</td>
<td>0.243</td>
<td>2.131</td>
<td>0.034</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Notes: OS=Original Sample/SM=Sample Mean/SD=Standard Deviation

Source: Prepared by the authors (2023)

Table 3. showed the path coefficient evaluation outcome direct hypotheses supported. The first hypothesis (H1) was related to the HRM Practices and Employee Performance where the relationship found statistically significant as the p value (0.007) was less than 0.05 and the t-value (2.699) was higher than 1.96 revealed significant relationships.

After examining the direct path relationships within the core model, next step was to examine the moderating effect of the Organizational Justice on the relationship among HRM Practices. According to Baron and Kenny (1986) a moderator can be qualitative or quantitative variable that affects the direction and/or strength of a relation between an independent and dependent variable. There are several ways to examine the moderating effect within structural model but for the current study Bootstrapping technique was used to observe moderation effect. This approach is widely suggested if the moderator is continuous in nature (Henseler & Fassott, 2010). In Table 3 shows hypothesis was revealed significant the supported moderating hypothesis (2) was the moderating effect of Organizational Justice in between HRM Practices and Employee Performance which revealed statistically significant since the t-value (2.131) was more than 1.96 and p-value (0.034) was less than 0.05. In addition, the beta value (0.121) as positive meaning the relationship between HRM Practices and Employee Performance become strengthens on the presence of Organizational Justice.

CONCLUSION AND RECOMMENDATIONS

Based on the review of previous literature, this study found that human resource management practices have a positive impact on employee performance. In addition, fairness...
has a strong impact on the performance of employees. The existing analysis of literature also proposes that these benefits vary from the implementation of justice by Human resource management, which further determine level of employee performance. Future results of this study will have an impact on both theory and practical levels. The findings of this study are important to various stakeholders such as leaders, human resource professionals, organizational improvement practitioners, and HRM employees. The positive effects of human resource management practices on employee performance by using organizational justice as moderator will provide ample empirical evidence to highlight the importance of these variables in an Middle East public sector context. Since the effects of these variables on employee performance are significant, the importance of organizational justice can be enhanced to improve both organizational, employee productivity and performance. This study also contributes to further research by analysing the effect of organizational justice as moderator on the effect of the HRM variable on employee performance.

The results of this study confirm that HRM practices and organizational justice have a significant impact on employee performance. These findings provide valuable insights into the factors that contribute to employee performance and can be used by organizations to design effective human resource management strategies. It is recommended that organizations focus on these factors to improve their employee performance, as they are critical for the success of the organization.

The results also indicate that organizational justice plays a significant moderating role in the relationship between HRM practices and employee performance. This finding highlights the importance of fairness and equity in the workplace, as it can have a significant impact on employee performance. These results suggest that other factors may be more important in determining the impact of these variables on employee performance.

In addition to the recommendations already provided, the following recommendations can be made for further research:

- Conduct further research on the role of organizational justice as a moderator of the relationship between HRM practices and employee performance. This can help identify specific mechanisms through which fairness and equity can enhance the effectiveness of HRM practices.
- Investigate the impact of other variables, such as organizational culture, job satisfaction, and work-life balance, on employee performance. This can provide a more
comprehensive understanding of the factors that influence employee performance and enable organizations to design more effective human resource management strategies.

- Conduct comparative studies across different industries and sectors to identify the impact of contextual factors on the relationship between HRM practices and employee performance. This can help identify best practices in different industries and sectors and enable organizations to benchmark their performance against industry standards.

Despite the valuable insights provided by this study, there are several limitations that must be acknowledged. First, the study was conducted in a specific context and may not be generalizable to other settings. Second, the study relied on self-reported data from employees, which may be subject to bias and may not accurately reflect their actual behavior. Third, the study only focused on a limited set of variables and did not consider other factors that may also impact employee performance. Therefore, future research should address these limitations by replicating the study in different contexts, using more objective measures of employee performance, and examining other variables that may impact employee performance.

REFERENCES


