

The Impact of Employee Psychological Well-being on Project Success in SGS Inspection Services in Jubail

Haider Mohammed Alsadah
2021205019

Graduation Project – 1
Faculty of Management - Midocean University

Supervisor
Dr. Mona Moustafa Elashry
Faculty member- Faculty of management- Midocean University

2024 – Second Semester

Table of Contents

1. Chapter 1: Introduction	2
1.1. Research Background.....	3
1.2. Research Problem	4
1.2.1. Theoretical Gaps	5
1.2.2. Practical Gaps	5
1.3. Research Significance	5
1.3.1. At the theoretical level	6
1.3.2. At the practical level	6
References.....	7
Appendices.....	8

1. Chapter 1: Introduction

1.1. Research Background

What does project success mean? As projects become increasingly common in organizations, this question is more relevant than ever. Projects are typically initiated to create change, such as developing new products, establishing new manufacturing processes, or forming new organizations. Without projects, organizations risk becoming obsolete, irrelevant, and unable to compete in today's business environment. (Shenhar et al., 2001). In the developed world, the knowledge economy plays a significant role, with numerous jobs centered on specialized skills, making employees hard to replace. Thus, retaining and supporting these employees is essential for project success. People spend about a quarter of their adult lives at work, making it a major aspect of life. Therefore, workplace wellbeing is crucial for overall personal wellbeing. (Keeman et al., 2017) Experiencing a high level of wellbeing is linked to various positive organizational attitudes, such as superior work performance, low turnover intentions, low actual turnover, greater effort and thought put into work, less absenteeism, and fewer work-related injuries. Since work impacts wellbeing and wellbeing is crucial for project success, it is in an organization's best interest to support and promote wellbeing at work. (Keeman et al., 2017) Wellbeing is often equated with happiness and is characterized by three main components: life satisfaction, the presence of positive mood, and the absence of negative mood. Another perspective defines wellbeing through self-actualization, proposing that true happiness stems from expressing virtue. This viewpoint highlights the importance of engaging in activities that foster personal growth, self-acceptance, life purpose, mastery, and positive relationships, all essential aspects of overall wellbeing. (Keeman et al., 2017) However, a critical review of existing literature on work identifies three primary categories of psychological wellbeing: (a) assessing employees' satisfaction with the workplace, (b) evaluating physical wellbeing in relation to stress and accidents, and (c) examining social wellbeing among employees. Research consistently shows that happier employees tend to perform better and are more productive compared to their less happy counterparts. Therefore, organizations aiming to enhance performance and output should prioritize the wellbeing of their workforce in practical applications. (Joseph, &

Monday. 2024) Based on Joseph & Monday (2024), various factors influence the success or failure of projects, with significant emphasis placed on how individuals respond to workplace stressors and emotionally engage with their roles. Employee wellbeing hinges on employers creating conducive workplace environments that promote emotional intelligence and reduce stress, though this ideal is often not fully realized. Mental wellbeing is closely tied to physiological health; therefore, mentally unfit workers may struggle to perform their duties effectively. Poor working conditions and inadequate minimum wage structures further exacerbate these challenges. The impact of stress can lead to reduced performance and errors, ultimately affecting project success and organizational growth negatively. Workplace stress can also spill over into employees' family lives, limiting their time with loved ones and leaving them physically and psychologically drained. Hence, exploring psychological wellbeing is crucial. Understanding the influence of psychological wellbeing on project outcomes can guide organizations in implementing better management practices, enhancing employee satisfaction, and ultimately improving project performance. This research provides valuable insights for managers and stakeholders to foster supportive work environments that nurture both employee wellbeing and project success.

1.2. Research Problem

In a project, many factors influence its success or failure. The research problem focuses on understanding the impact of employee psychological well-being on project success. The way employees respond to stress and their emotional engagement with their jobs is critical. However, the responsibility of employers to create a supportive environment that promotes well-being is often neglected. Poor working conditions, low wages, and high stress levels can reduce performance and negatively affect project success. This gap in addressing the psychological well-being of employees and its direct impact on project outcomes needs exploration. (Joseph & Monday 2024).

1.2.1. Theoretical Gaps

Based on the study of Sarwar et al., (2017). The theoretical gap lies in the limited understanding of how different dimensions of psychological well-being, such as resilience, optimism, and emotional intelligence, contribute to project success. Previous studies have highlighted the importance of psychological capital but have not fully integrated these aspects within the context of project success. For instance, researchers enhancing employee performance and job satisfaction but have not extensively linked it to project outcomes.

1.2.2. Practical Gaps

Based on the study of Panda & Sahoo (2021). On a practical level, there is a lack of empirical data and applied research on strategies to enhance psychological well-being in project teams and its direct impact on project success. Many organizations still overlook the importance of psychological well-being programs and their potential benefits.

Based on the study of Kundi et al., (2020). There is a gap in practical strategies for organizations to enhance psychological well-being and, in turn, project success. Identifying and implementing best practices for promoting a supportive work environment that fosters employee well-being remains a challenge. Employee psychological well-being and job performance.

Based on the above, the current research is directed to answer the main research question” How does it Impact of Employee Psychological Well-being on Project Success in SGS Inspection Services in Jubail?”

1.3. Research Significance

Understanding the impact of employee psychological well-being on project success is critical for both academic and practical reasons. This research aims to bridge the gap between employee well-being and project outcomes, providing a holistic view that incorporates psychological factors into project management practices. The insights gained from this study will be valuable for managers, HR professionals, and

policymakers in designing interventions that enhance employee well-being and thereby lead to project success. (Luthans, F.et al., 2006).

1.3.1. At the theoretical level

At the theoretical level, this research contributes to the existing body of knowledge by integrating concepts from psychology and project management. Previous studies have highlighted the importance of psychological well-being for overall job performance, but there has been limited focus on its direct impact on project success. By exploring this relationship, the study provides a deeper understanding of how psychological factors influence project outcomes, thus filling a significant gap in the literature. (Sarwar.et al., 2017).

1.3.2. At the practical level

From a practical perspective, this research provides actionable insights for enhancing project management practices. By pinpointing the critical aspects of psychological well-being that influence project success, organizations can deploy focused interventions to bolster employee support. This approach not only boosts employee satisfaction and diminishes turnover but also fosters project success. Implementing initiatives such as stress management programs, emotional intelligence training, and cultivating supportive work environments are practical applications that could be instrumental in achieving these goals. (Panda & Sahoo 2021).

References

- Collins, A., & Baccarini, D. (2004). Project success—a survey. *Journal of construction research*, 5(02), 211-231. <https://doi.org/10.1142/S1609945104000152>
- Dagenais-Desmarais, V., & Savoie, A. (2012). What is psychological well-being, really? A grassroots approach from the organizational sciences. *Journal of happiness studies*, 13, 659-684. <https://doi.org/10.1007/s10902-011-9285-3>
- Joseph, O. N., & Monday, O. (2024). EMOTIONAL INTELLIGENCE AND STRESS AS PREDICTORS OF PSYCHOLOGICAL WELLBEING AMONG EMPLOYEES IN ENUGU METROPOLIS. *ESCET JOURNAL OF EDUCATIONAL RESEARCH AND POLICY STUDIES*, 4(1), 109-118.
- Keeman, A., Näswall, K., Malinen, S., & Kuntz, J. (2017). Employee wellbeing: Evaluating a wellbeing intervention in two settings. *Frontiers in psychology*, 8, 505. <https://doi.org/10.3389/fpsyg.2017.00505>
- Kundi, Y. M., Aboramadan, M., Elhamalawi, E. M., & Shahid, S. (2020). Employee psychological well-being and job performance: exploring mediating and moderating mechanisms. *International Journal of Organizational Analysis*, 29(3), 736-754.
- Luthans, F., Youssef, C. M., & Avolio, B. J. (2006). *Psychological capital: Developing the human competitive edge*. Oxford university press.
- Panda, A., & Sahoo, C. K. (2021). Work–life balance, retention of professionals and psychological empowerment: an empirical validation. *European Journal of Management Studies*, 26(2/3), 103-123. <https://doi.org/10.1108/EJMS-12-2020-0003>
- Sarwar, H., Nadeem, K., & Aftab, J. (2017). The impact of psychological capital on project success mediating role of emotional intelligence in construction organizations of Pakistan. *Journal of Global Entrepreneurship Research*, 7, 1-13. <https://doi.org/10.1186/s40497-017-0080-4>
- Shenhar, A. J., Dvir, D., Levy, O., & Maltz, A. C. (2001). Project success: a multidimensional strategic concept. *Long range planning*, 34(6), 699-725. [https://doi.org/10.1016/S0024-6301\(01\)00097-8](https://doi.org/10.1016/S0024-6301(01)00097-8)

Appendices

The aim of this questionnaire is to assess factors contributing to project success and the impact of employee psychological well-being on project outcomes. Your responses will help us identify best practices areas needing improvement. All answers are confidential and used for academic research purposes.

Personal Information

Age:

Gender:

Educational qualification:

Years of experience:

Considering your job, please indicate to what extent you agree with each statement.

1	2	3	4	5
Never	Seldom	sometime	usually	always

Psychological Well-Being at Work	1	2	3	4	5
I value the people I work with.					
I find my job exciting.					
I know I am capable of doing my job					
I feel that my work is recognized.					
I enjoy working with the people at my job.					
I like my job.					
I feel that my work efforts are appreciated.					
I feel effective and competent in my work.					
I feel that I know what to do in my job.					
I want to contribute to achieving the goals of my organization.					
I feel that I am accepted as I am by the people I work with					
I know my value as a worker.					
Project Success	1	2	3	4	5
Meeting specification					
Project completed on budget					
The users of the project are satisfied					
Project completed on time					

The project team members are satisfied					
The parties affected by the project are satisfied					
The product satisfies owner's needs					
Meeting specification					
Project completed on budget					
The users of the project are satisfied					