

The Mediating Role Of Psychological Well-Being On The Relationship Between Human Capital And Organizational Excellence

Dr. Amina Omrane^{*1}, Dr. Nour Basim Abed², Mr. Hasanin Abdulmuttaleb Al-Jibawi³

¹ Associate professor (HDR) of Management science, Entrepreneurship & Sustainability,

² University of Sfax, ECSTRA Research center, -IHEC Carthage, Tunisia

³ Doctor in Management science, University of Sfax, Tunisia, Researcher, University of Sfax, Tunisia

Abstract

The present research investigates the impact of investment in human capital on organizational excellence, with psychological well-being serving as a mediating mechanism, within the Petroleum Products Distribution Company under the Iraqi Ministry of Oil.

The study sample comprised 300 middle-level managers, including department managers and section supervisors, within the organization. Data were collected using a structured survey instrument, and statistical analyses were conducted using SPSS and SmartPLS (version 4). The findings reveal a significant and positive relationship between investment in human capital and organizational excellence, mediated by employees' psychological well-being. These results underscore the importance of strategic managerial planning aimed at fostering flexible organizational structures supported by a competent and psychologically healthy workforce.

Keywords: Investment In Human Capital, Organizational Excellence, Psychological well-being, Petroleum Products' Distribution Company.

INTRODUCTION

The current business environment is witnessing radical changes, including technology and information systems' usage, market openness and expansion, changing patterns of competition, as well as rapid and sustainable development of the global economy. In order to keep up with growth and development and achieve their goals, companies need to upgrade their excellence, by fostering their organizational capabilities. Daharat et al. (2022, p. 2) consider organizational excellence as the efforts sustained to establish an internal framework of standards and a process to encourage employees to work more and continuously excel in competition, which is a sign of success in the organization. Employees and managers are responsible for ensuring quality (Al Thaqafi, 2019, p. 10).

On the other hand, it should also be noticed that, in both public and private institutions, the administrative activity related to the Human Resource Management (henceforth HRM) function has faced significant challenges related to political, economic, social, and technological shifts and transformations. Such changes have become a burden on Human Resource (henceforth HR) departments, preventing their managers from performing their duties and identifying the needs and resources that are necessary for the corporate success of their companies, especially in developing countries. Indeed, to tackle such challenges, HR managers of those countries are under different kinds of constraints and should be more aware of the importance of adopting a comprehensive human resource strategy that puts an increased emphasis on the personnel. Accordingly, it is expected that such a human capital management strategy focuses on planning, training, developing employees'

competencies, as well as on inducing them to upgrade their companies' excellence. It is also envisioned that the HR strategy will outline the possible policies and functions that are required for implementing the organizational activities, and carrying out successful tasks and operations in such a rapidly changing VUCA environment (KWON, 2009, p. 1). For those afore mentioned reasons, it will be of utmost interest to test the potential influence of investing in HR on the excellence of companies located in developing countries, such as those located in the Middle East region (Arbab & Mahdi, 2018, p.10). On the other hand, while examining the prior literature on HRM, it appears that many precedent researches underlined the virtues of investing in HR, including those related to improving the psychological well-being of workers. In fact, scholars like Haider et al (2018), and Mazari et al (2021), have largely stressed that a positive and a personal evaluation of the individual's state and his level of life and work satisfaction, would foster his capability to perform successfully his mission. Nevertheless, there has been a scant attention paid to the psychological well-being as a mediator between HRM practices and the organizational excellence of companies that are based in Middle-East countries, such as the Iraqi ones. It is in this perspective that the present research aims to shed light on the rapid evolution of modern management concepts, and more particularly on the concept of human capital, in order to raise the awareness among Top managers of the importance of humans and the vital role they can play in improving their companies' performance and excellence. Moreover, the current study seeks to test the mediating effect of psychological well-being on the association between investing in human capital and organizational excellence. To reach the objectives of the present research, a quantitative study was conducted in a petroleum oil distribution company, affiliated with the Ministry of Oil of Iraq, which is the pulsating economic nerve in the Iraqi context. The targeted sample of 300 respondents included the middle leadership of this organization as it could support its Top managers in investing in their employees' development and improving their wellbeing to achieve the organizational excellence.

For the remainder of the current investigation, the literature review will be detailed in the second section. The third section will present the research method adopted; while the fourth one will outline the results of this research. Finally, the last section will conclude by highlighting the main implications, limits and recommendations of the investigation.

2. THEORETICAL DEVELOPMENT

2.1. Organizational Excellence

2.1.1. Organizational Excellence: definitions

Excellence represents a comprehensive, complete, and indivisible concept that cannot be depicted in a specific department of an organization; while performance collapses in many different areas and services of a company (Al Shobakib et al., 2017, p. 22). Daharat et al. (2022, p. 2) consider organizational excellence as the efforts sustained to establish an internal framework of standards and a process to encourage employees to work more and continuously excel in competition, which is a sign of success in the organization. Workers and managers are both responsible for ensuring quality (Al Thaqafi, 2019, p. 10). Rula & Ziad (2021, p. 22) stated that organizational excellence refers to the ability of organizations to attain their goals through adopting and using modern methods, developing high-quality products and services, as well as generating high profits to achieve a competitive advantage. In the same context, Raoof et al. (2021) emphasized that organizational excellence could be regarded as the ability of organizations to solve their problems, excel in performance and then achieve their goals efficiently in a way that distinguishes them from their competitors. Mohammed & Al-Zeidi (2022, p. 107) also believed that organizational

excellence is the ability to align, integrate, and coordinate the resources of the organization so that it could achieve the expected rates of maximal efficiency and output levels that align with the needs and expectations of all the parties of the organization.

2.1.2. Types of organizational Excellence

The philosophy of organizational excellence in terms of institutional performance is the expression of the need to combine management elements and build organizations in a superior way to achieve high capabilities in dealing with external variables and conditions (Jamer, 2015). After reviewing several previous studies, it appears that organizational excellence is a multidimensional concept that involves a set of dimensions that encompass the managerial, human, structural, and strategic levels. All those dimensions will be incorporated into the current study model.

2.1.2.1. Managerial Excellence

According to Chopra and Kanji (2010, p. 983), managerial excellence is associated with relationship management, which includes dealing with conflicts, developing the potential of others, objectivity, inspirational leadership, team building, collaboration, change management, emotional adaptation, and diversity leverage. By developing emotional intelligence, managerial excellence is defined as a positive and desirable stance that enables an organization to operate more efficiently and effectively than its competitors in a way that ensures the uniqueness of its products (Bryson, 2018, p. 74). Managerial excellence is also assimilated to the pursuit of opportunities that enable an organization to effectively achieve its goals, and to outperform the other competitors. For those reasons, managerial excellence widely depends on the managers' proficiency and adeptness at providing development opportunities, utilizing organizational investment, and accepting the measures that help the company develop its vision, values, and culture.

2.1.2.2. Employee Excellence and its linkages with human capital investment

According to Mohamad & Rokaya (2020, p. 49), human resources are the foundation that determines the extent of organizational success. In other words, effective human resource management plays a significant role in ensuring that these resources successfully carry out various activities by focusing on the human elements within organizations (Zehir et al., 2016:798). Strategies for human resource management should therefore implement and rely on the practices that lead to excellence of human resources, including their recruitment, development, training, incentive systems, benefits, and career development within those organization (Arbab & Mahdi, 2018, p.10). In fact, the precedent literature has shown a positive relationship between human resource practices and innovation, and their positive outcomes for the organizational excellence, such as retaining exceptional employees, and attaining a high profitability, a high productive performance, and an increased customer loyalty.

2.1.2.3. Excellence related to the organizational structure

The organizational structure refers to the way the members of an organization are allocated their responsibilities, capabilities, and where procedures are implemented. It determines how employees work by providing them with the appropriate tasks, responsibilities, and their relationships with the authority (Wahab et al., 2022, p. 1509). Conversely, a poor designed organizational structure results in a range of organizational problems, including conflict of roles, lack of coordination between functions, failure in sharing ideas, and a slow decision-making process that generates unnecessary complications and tension for managers (Benedict & Nduji, 2021, p. 80). The organizational structure plays a crucial role in increasing the awareness of the organization of its ability to achieve its objectives more efficiently and effectively. It serves as a starting point in determining the path and shape of the organization and helps analyze its operations (Omar & Yousif, 2023:35).

2.1.2.4. Strategic Excellence

Al Shobakib et al (2017, p. 21) assimilated strategic excellence to the ability to coordinate and integrate organizational and operational interdependent elements to attain higher levels of efficiency, considering strategic excellence as a necessity for organizations that are striving for strategic success. Indeed, Al Somaidaee & Al-Zubaidi (2021, p. 3708) stated that strategic excellence involves developing strategic plans aimed at achieving a long-term prosperity that aligns with the organization's capability and its ecosystem, as well as implementing those plans to ensure the organizational growth and its development in various areas. The organization's strategy reflects its future directions and how it might utilize its material and human resources to achieve its goals by adopting a strategy that focuses on employees' needs and expectations, tasks' facilitation, as well as performance assessment (Omar & Yousif, 2023, p.35). Accordingly, Al Haroub (2021, p. 34) emphasized that strategic excellence helps increase the capacity and potential of organizations to leverage and tap into the opportunities that require them to become leading organizations in their long-term performance.

2.2. The main determinants of organizational excellence

2.2.1. A general scope of the key influencing factors on organizational excellence

According to Omar & Yousif (2023, p. 35), organizational excellence is the result of a novel technology, a distinguished working method, or the outcome of training and empowering employees.

First of all, as for managerial excellence, many scholars stressed that it is mainly preceded by an effective strategic planning, with a shared vision for clarity of purpose (Bag and Omrane, 2021). Indeed, as it involves problem-solving, resource adequacy, and a focus on performance (Al Shobakib et al., 2017, p. 21; Omar & Yousif, 2023, p. 35), the organizational excellence could be reinforced via a continuous improvement and development of the work systems (Altarawneh, 2023, p. 53).

Second, concerning employee excellence, researchers argued that organizations can increase the likelihood of their lifecycle's success and achieve a sustainable excellence whenever their leadership takes the initiative to cope with the changing technological, social, and economic conditions. For instance, Basim & Rabab (2023, p. 102) advanced that such an adaptation allows them to meet the emergent needs for innovative solutions that enhance sustainable excellence by transforming their thinking. In the same orientation, Al-Zagheer et al. 2022, p. 38) added that organizations should propose specific mechanisms to provide an organizational environment that enables the growth of their talents.

Third, it was commonly stressed that an excellent organizational structure is based on the principles that break away from routine and bureaucracy. It also follows and relies on centralized flexible procedures that makes it capable of seizing and capitalizing on opportunities, as well as making quick decisions (Gupta, 2021, p. 4).

Finally, as reported by several researchers, strategic excellence requires, not only the determination of the strategic directions and their implementation, but also the identification of the benefits that the organization can gain while reaching its strategic goals (Mazahoud & Khaled, 2019, p. 42). This aligns with the assumption postulating that strategic excellence requires the commitment of the workforce inside the organization.

2.2.2. Human capital investment as a key determinant of organizational excellence

Capital has become a multidimensional concept in the economic literature of the 21st century. In fact, it has been expanded to include terms like financial capital, organizational capital, intellectual capital, human capital (Edvinsson & Malone,1997, p. 52). In this perspective, the fundamental principle underlying the theory of human capital contends that people's learning capabilities have a tremendous value that is similar to other resources involved in the production of goods and services. The effective utilization of these

resources yields positive outcomes for individuals, organizations, and society as a whole (Schultz, 1961; Becker, 1993, pp. 15- 16).

2.2.2.1. Human Capital Investment: Conceptual Foundations and Implications for Workforce Development and Organizational Excellence

Kanbar & Lindstrom (2013) argued that the theory of human capital highlights the importance of investing in human skills and capabilities, generating positive returns for individuals and broader societal development. Indeed, when organizations lay out a part of their budget on formal education or general/specific training, and learning at the workplace, they gain several benefits, including return on investment, increased productivity, and profitability. Zula & Chermack (2007) contended, in the same line of thoughts, that education, training, and other forms of knowledge have a positive influence on wages and productivity. Thus, organizations strive both to maintain high productivity and efficiency by mitigating talent shortages and to improve their competitive position in the market. To this end, managers are sustaining more efforts and resources in developing human potential by investing in training their staff and strengthening their skills. For Kucharčíková (2023, p. 3), human capital investment serves as a strategic tool for organizations to cultivate talent, augment its value, and enhance workforce quality. Similarly, according to Banmairuoy and Homsombat (2022, p.203), developing human resources' practices might increase the organizational excellence by encouraging workers to learn via getting training courses, innovating, and strengthening their capabilities. Specifically, Khalifa (2016, p. 89) emphasizes that : enhancing employees' basic skills, including technical, cognitive, personal, and social competencies, is essential for optimizing investment in organizational resources (financial, human, organizational structures, legislative rules, and systems).

2.2.2.2. Investing in skills for a better organizational excellence

The sustainable innovation of high-performing organizations is shaped by the capabilities that employees possess and develop. According to Al Mashhadani (2012, p. 59), organizations aim to equip employees with new functional skills, enabling them to adapt to dynamic environmental conditions, enhance organizational performance, and achieve sustainable competitive advantage.

Skills represent one's acquired ability to accomplish specific predetermined results within a minimal time and/or energy (Omrane, 2015, 2020). Skills can often be classified into general and specific skills (Ukenna et al., 2010, p. 96). Such abilities are reflected in the knowledge and acquired skills within the organization as a result of facilitating their participation in training and development programs provided by the company, as well as in the decision-making process and work within the company (Soosay, 2005, p. 300).

2.2.2.3. Leveraging Employee Training to Improve Organizational Performance

The term training refers to the acquisition of knowledge, skills, and abilities as a result of teaching professional or practical knowledge related to specific useful competencies. Training is defined by McCleland (2002) as the set of activities that could change the individuals' behavior. For many other scholars, training is assimilated to a continuous and regular process that aims at providing employees with the necessary experiences, knowledge, and skills to rise their efficiency and boost their abilities to achieve a high degree of professional growth that is in line with their job domain and nature.

Training forms the backbone of industrial apprenticeship and provides the content pillar of technology institutes (also known as technical or vocational colleges) in addition to the basic training required for trade or profession. Observers of the labor market today recognize the need for a continuous training after maintaining and promoting the initial qualifications, as well as fostering the existing skills throughout the working life. Such type

of training is called professional development which is suitable for many professions (Ukenna et al., 2010, p. 97).

2.2.2.4. Investing in learning and acquiring knowledge for a better organizational excellence

It is worth mentioning that Lucas (1988, p. 19) emphasizes that the accumulation of human capital is a social activity that engages several groups of people. At the organizational level, human capital plays an important role in strategically planning how to generate competitive advantages. Employees who possess the necessary knowledge are the ones who will help organizations achieve superiority and compete with other similar institutions. According to Sujchaphong (2013, p. 30), there are two types of knowledge: the first one is explicit knowledge, which can be documented and easily transferred through formal education or training, and the second is called tacit knowledge, which is acquired through work experience and cannot be simply codified. Ferreira (2022) suggests that knowledge can be formed through the compilation of mixed information that are available in data considered as a property of things.

2.2.2.5. Investing in educating the minds for a better organizational excellence

In the current era, improving the economic growth of a country widely depends not only on its size, rich natural resources, or financial capital strength, but could also result in the sustainable competitive advantages that have been developed by its different organizations. In this respect, the level of education has become the main factor that might contribute to a company's success in the market through the increase of its scientific and technological capabilities. Indeed, Maria & Mihaela (2019, p. 75) argued that education plays a crucial role in adapting human resources to the dynamic requirements of the job market, providing them a certain mobility in choosing a better job. In other words, the quality of human capital becomes an important aspect targeted by companies which seek to enhance their products' value and usability by increasing learning (Owings et al., 2012, p. 47).

2.2.3. Psychological well-being as a key determinant of organizational excellence

Psychologists began studying psychological well-being and recognizing it as a scientific phenomenon and a psychological issue in the 1970's. They considered it a state of happiness that affects a range of other positive emotions, such as satisfaction, joy, comfort in own's lifestyle, and tranquility (Omrane et al, 2023). Psychological well-being is also related to the major aspects of life, such as family, work, and social relationships. For Abu Warda (2020, p. 164), it satisfies the sense of contentment, fulfillment, and psychological security, and enables the individual to achieve his goals.

More recent, Bahri (2023, p. 399) went in the same line of thoughts and defined psychological well-being as a positive and personal evaluation of an individual's state, his level of life satisfaction, as well as the relative presence of positive effects of his feelings of happiness, optimism, and self-actualization .

For those above reasons, Mazari et al (2021, p. 43) and Omrane et al (2023) underlined that psychological well-being is an important indicator of life satisfaction. Indeed, for these scholars, individuals' self-management shapes their perceptions of themselves and their surrounding environment, irrespective of the challenges and pressures they encounter.

Similarly, many researchers such us Haider et al (2018) and Yasir et al (2020) argued that psychological well-being fosters employees' satisfaction with their coworkers, as well as their commitment to their workplace. Therefore, their job performance is in turn upgraded. While considering the main subcategories and dimensions of psychological well-being, it appears that scholars like Ryff (2013, 2018) stressed that they might encompass: self-acceptance, personal growth, positive relations with others, independence at the workplace, and adaptability to the work environment. The same scholars and their collaborators have

also added that all those factors and aspects affect one's mental health and emotional well-being, so that work performance and excellence is improved.

2.2.3.1. Self-acceptance and its main advantages for workers

Individuals who are unable to accept themselves without restrictions or conditions might face a variety of emotional difficulties, including anxiety, depression, incapability to interact positively with others, and loss of control over anger. In this perspective, psychologists have stressed the tremendous importance of self-acceptance and its virtues for mental health. Self-acceptance is regarded as a "*positive attitude towards oneself*". According to Saleh Muhannad (2019, p. 17-18) and Omrane (2019), accepting oneself means being comfortable with one's past and present, recognizing and accepting both positive and negative qualities, and acknowledging all the aspects of one's personality in a positive light. In fact, individuals are different each one from another, making them unique while searching for happiness. Besides, it has been widely demonstrated that the level of self-acceptance greatly affects one's level of satisfaction in life.

2.2.3.2. Personal growth and development at the workplace

Personal growth corresponds to a personal inclination to develop one's potential and evolve as a human-being. It is associated to the individual's feeling of continuous development and his "*openness to new experiences*" in order to strengthen his competencies and improve his attitude and behavior over time (Omrane, 2019). In other words, personal growth refers to the ability of juggling the everyday responsibilities and expanding one's work activities, to take on multiple roles at workplace. In other words, personal growth implies progressing in a way that reflects more self-knowledge, expanding work and life interests, and continuously developing new attitudes and behaviors (Omrane, 2019). This represents an ongoing process of learning, improving, and maturing (Abdel-Baqi, 2020, p. 113).

2.2.3.3. Positive relations with others

Positive relationships are characterized by warm, reliable, mature, close, intimate, generative, satisfying, open, and stable interactions with others, indicating the individual's ability to opt for suitable environments (Ryff, 2013). Indeed, positive relations developed by a person imply also his ability to care for the interests of others, develop the feelings of warmth, trust, and intimate bonds, as well as the capability of empathizing, cooperating, and balancing relationships with others to make them happy. According to Azhar & Muhannad (2021, p. 3357), positive relationships correspond also to a person's satisfaction, conviction, and trust in his relationships with others, as well as the ability to show empathy, affection, and care while interacting with them.

2.2.3.4. Independence at the workplace

Independence at the workplace represents a person's ability to manage his everyday life according to his own ideas and follow his personal beliefs, even if they go against the commonly accepted principles. It also indicates the capability of managing one's personal life and living independently whenever it is required (Al-Saadi, 2020, p. 78). Independence means also maintaining one's autonomy, standing by one's convictions, and making decisions even when others do not agree on them.

2.2.3.5. Adaptability to the work environment

Adaptability to the work environment depends widely on the individual's ability to choose and select the environment that is suitable for his mental state. Such a skill refers also to a specific characteristic of mental health. A high degree of adaptability indicates that the individual possesses the spirit of mastery and proficiency at managing the environment, controlling a set of environmental activities, effectively leveraging the best opportunities, and selecting the appropriate contexts. On the contrary, a low degree of adaptability supports the evidence that the person faces some challenges in managing his daily affairs.

He feels himself so incapable of changing or improving his surrounding contexts, and lacking a sense of control over the external world so that he could not tape into the best opportunities (Al-Khattaba, 2021, p. 208).

On the basis of all the observations stated above, the conceptual framework of our research could be outlined as follows in Figure 1.

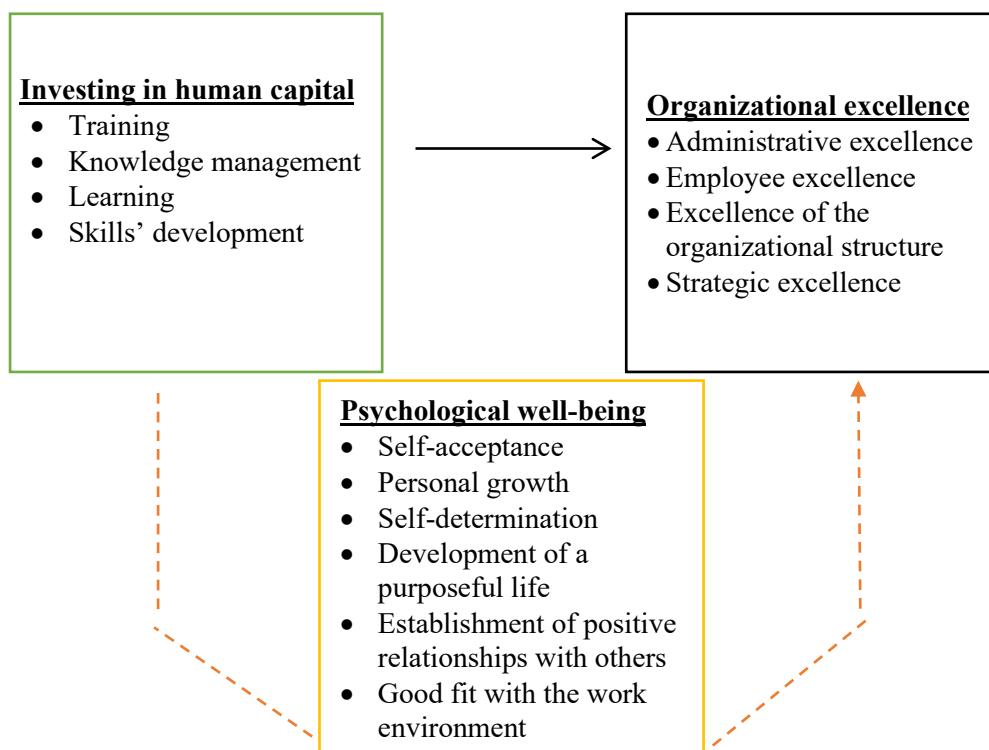


Figure 1. Research Framework

Research Hypotheses

H1: Investing in human capital has a significant and positive influence on the dimensions of organizational excellence.

H2: Psychological well-being mediates the association between investing in human capital and organizational excellence.

3. RESEARCH METHOD

3.1. Population, sample, and procedures for data collection

Our empirical investigation was conducted in a dynamic evolving environment that comprises the small and medium oil Iraqi enterprises. To reach the objectives of the current study, a self-administrated structured questionnaire was distributed to the targeted sample. This questionnaire included four sections related respectively to the respondents' profiles as well as to the three latent variables of our present research, as follows: personal/biographical data (6 items), investment in human capital (12 items), organizational excellence (22 items), and psychological well-being (18 items). A Likert five-point scale model was adopted, ranging from "totally disagree" to "totally agree". After several reviews and inquiries, a total of 300 valid questionnaires were filled and considered for our investigation, representing a response rate of 95.2%.

More specifically, the population of this study was composed of the employees who are working in an oil distribution company that belongs to the Iraqi Ministry of Oil. To be more precise, the researcher opted for one oil products' distribution company in the Iraqi context for two main reasons: (1) such a company is a so reputed public organization that

belongs to the Iraqi Ministry of Oil, (2) the researcher has strong relationships and connections with the personnel of this company, and could therefore easily collect the data from the prospective respondents. The whole targeted population included therefore all the middle-level managers existing in that unique company, and whose number is 315. However, only 300 of them returned fully filled and completed questionnaires. Consequently, our purposive sample was lastly composed of 247 division officials and 53 directors of departments, pertaining to one targeted oil company. The overview of the demographic profiles of those managers is depicted in Table 1 hereafter.

As shown in Table 1, it appears that most of the respondents were male (66.7 %), followed by the female (33.3 %). 81% of them were between the age group of 30–50, while between the age group of 35–39. 11.3% of the respondents belong to the age group of 40–44, whereas 15.3 % of them are over 51 years of age, and only 3.7% are less than 30 years old. Most of the interviewees were well educated, with 55.7% earning a bachelor's diploma, followed by 26 % holding other higher diplomas (master's, PhD, etc). Moreover, the majority of respondents were well-experienced, as 36 % have more than 20 years' experience, 54 % of them have between 10- and 20-years' experience, while the remaining got between 5 and 10 years. In terms of training and learning experiences, 61.7% of the interviewees have been improving their skills by taking more than 10 courses, whereas 32% of them were getting less than 10 courses, and the remaining (6.3% of them) were not involved in any training activity.

Table 1. Demographic profiles of respondents

Demographic attributes	Proportion of respondents	Percentage
Gender		
Male	217	66.7%
Female	83	33.3%
Sum	300	100.0
Age		
30 years or less	11	3.7%
From 31-40	94	31.3%
From 41-50	149	49.7%
51 or more	46	15.3%
Sum	300	100.0
Academic achievement		
Preparatory school	26	8.7%
Diploma	37	12.3%
Bachelor's	167	55.7%
Higher Diploma	40	13.3%
Master's	30	10.0%
Ph.D	10	3.0%
Sum	300	100.0
Years of service		
5 years - or less	0	0
6-10years	13	4.3%
11-15years	65	21.7%
16-20 years	98	32.3%
21-25years	69	20.7%
25 years &more	55	15.3%

Sum	300	100.0
Job (position)		
Director of Department	53	17.7%
Division official	247	82.3%
Sum	300	100.0
Number of training courses taken		
Nothing	19	6.3%
1- 5 courses	64	21.3%
6-10 courses	32	10.7%
10 courses or more	185	61.7%
Sum	300	100.0

As for the practical aspect, a descriptive analysis was used for the gathered data. Furthermore, all the proposed relationships were examined via the usage of a partial least squares path modelling (PLS-SEM) method. Such an approach could be applied in management and social sciences, for small sample sizes, and prediction-oriented objectives, as it does not require normal data distribution (Chin and Newsted, 1999; Cited in Bag and Omrane, 2021, p. 110).

3.2. Measurement scales

The measurement scales for the latent variables of the model of our research work were selected from the precedent studies with a minor modification undertaken to fit the objectives of our current investigation and its corresponding context.

The independent variable which is associated to investment in human capital, was evaluated by four sub-dimensions including: training, knowledge management, learning/education, and skill development, as recommended by Ukenna et al. (2010).

The dependent variable 'organizational excellence' was measured via four indicators that were taken and adapted from the study conducted by Qawasmeh et al. (2013). Those four dimensions encompass respectively: managerial excellence, employee excellence, excellence related to the organizational structure, and strategic excellence.

'Psychological well-being', which mediates the relationship between investment in human capital and organizational excellence, was assessed via six indicators. As recommended by Ryff (1989) and Ryff & Keyes (1995), the six-item corresponding scale of this mediating variable involves the following dimensions: self-acceptance, personal growth, development of a purposeful life, self-determination at workplace, establishment of positive relationships with others, and good fit with the work environment.

3.3. Scale stability, reliability, and construct validity

To ensure that the scale used has a good reliability, the researcher relied on the split-half test. When applying this method, it was found that the Spearman-Brown coefficient for the questionnaire reached (0.892). As shown in the table below, the split-half coefficient for the questionnaire using the Guttman coefficient reached a similar value of (0.892); which means that it has a good stability, with its various standards, and that it could be adopted at different times.

Table 2. Split-half test

Cronbach's Alpha	Part 1	Value	0.969
		N of Items	34 ^a
	Part 2	Value	0.965
		N of Items	34 ^b
		Total N of Items	68

Spearman-Brown Coefficient	Correlation Between Forms	0.805
	Equal Length	0.892
	Unequal Length	0.892

Guttman Split-Half Coefficient 0.892

Source : SPSS V.25

Furthermore, to assess the reliability of each construct, the internal consistency, entailing that all the items are equally reliable (Cronbach, 1951), was ensured by applying the Cronbach's Alpha as well as the composite reliability (henceforth CR). As shown in table 3 below (and detailed in Tables 4, 5 and 6), all the Cronbach's Alpha and CR values exceed the threshold value of 0.7; which means that our three constructs have a good reliability. As already mentioned by Urbach and Ahlemann (2010; Cited in Omrane and Aziz (2023, p.14), "the convergent validity designates the degree to which the indicators capturing each construct converge in comparison with those measuring other different constructs. After ensuring that all the indicators' loadings of each construct are greater than 0.7 (as recommended by Hair et al, 2014), the average variance extracted (henceforth AVE) analysis should be performed to check whether its value exceed the threshold value of 0.50 (Hair et al, 2016). As outlined in the table 3 below (and detailed in Tables 4, 5 and 6), all the constructs' AVE values are higher than 0.5, which means that the convergent validity is well established.

Table 3. Measurement indicators for the three latent variables

Constructs	No of items	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)
Human capital investment	12	0.821	0.821	0.608
Organizational excellence	24	0.891	0.9	0.611
Psychological well-being	18	0.783	0.859	0.629

4. MAIN RESEARCH FINDINGS

4.1. Descriptive analysis' results

4.1.1. Descriptive analysis' results related to 'Human capital investment'

Table (4) summarizes the results of the human capital investment variable, indicating that it achieved an overall mean of (3.074), with a standard deviation of (0.872), and a coefficient of variation of (28.37). Findings support the evidence that the company's level of interest in human capital investment was average, with a main focus made first on training, then on knowledge management followed by skills' development, and ultimately on learning. Accordingly, the company needs to reconsider its strategies related to training, education, and other professional initiatives. Managers are also conveyed to improve their employees' efficiency by strengthening their capabilities and soft/hard skills, their values and social assets, in order to upgrade their satisfaction, and then to enhance the corporate performance.

Table 4. Descriptive analysis of human capital investment dimensions

	Dimensions of human capital investment	Coefficient of variation	Standard deviation	Mean
--	--	--------------------------	--------------------	------

1	Training	32.11	1.011	3.149
2	Learning	35	1.035	2.957
3	Knowledge management	32.4	1.02	3.148
4	Skills' development	30.68	0.934	3.044
	Human capital investment	28.37	0.872	3.074

Source: SPSS V.25 output

4.1.2. Descriptive analysis' results associated to 'Organizational Excellence'

Table (5) provides an overview of the results related 'organizational excellence', indicating that it achieved an overall mean of (3.065), with a standard deviation of (0.849), and a coefficient of variation of (27.7). Such findings are attributed to the emphasis put by the company, firstly on administrative excellence, then on employee excellence followed by structural excellence, and ultimately on strategic excellence.

Accordingly, the managers of such an organization are called upon working on implementing of a set of distinguished strategies and practices that enable them to achieve high levels of performance through a convenient strategic planning and a flexible organizational structure that adapts to environmental changes. Moreover, they are appealed to tape into the best environmental opportunities that could be leveraged.

Table 5. Descriptive analysis of organizational excellence dimensions

	Dimensions of organizational excellence	Coefficient of variation	Standard deviation	Mean
1	Administrative excellence	28.37	0.896	3.158
2	Employee excellence	28.98	0.903	3.116
3	Excellence in organizational structure	33.91	1.017	2.999
4	Strategic excellence	33.23	0.993	2.988
	Organizational excellence	27.7	0.849	3.065

Source: SPSS V.25 output

4.1.3. Descriptive analysis' results related to 'Psychological well-being'

Table (6) summarizes the results regarding 'psychological well-being'. Such a variable achieved an overall mean of 3.22, with a standard deviation of 0.848, and a coefficient of variation of 26.34. The detailed findings depict that the company put its main focus firstly on Job autonomy, then on building positive relationships with others followed respectively by: developing a purposeful life, personal growth, good fit with work environment. Ultimately, the lower attention is given to the sixth dimension "self-acceptance", which had a mean of 3.117, a standard deviation of 1.091, and a coefficient of variation of 35.

Table 6. Descriptive Analysis of Psychological Well-Being Dimensions

	Dimensions of psychological well-being	Coefficient of variation	Standard deviation	Mean
1	Self-acceptance	35	1.091	3.117
2	Establishment of positive relationships with others	32.34	1.039	3.213
3	Adaptability/Good fit with the work environment	31.64	1	3.161

4	Development of a purposeful life	30.19	0.968	3.206
5	Personal growth	31.17	0.994	3.189
6	Job autonomy	30.83	1.059	3.435
Psychological well-being		26.34	0.848	3.22

Source: SPSS V.25 output

4.2. Hypotheses testing' results

4.2.1. Hypotheses testing results related to the relationship between 'Investment in human capital' and 'organizational excellence'

As illustrated in Table (7) dressed below, the inferential statistics between investment in human capital and organizational excellence attained an extracted F-value of (599.372), which is greater than the critical F-value of (3.94). The hypothesis H1 is then accepted; attesting that investing in human capital and its corresponding dimensions have a significant effect on organizational excellence.

The coefficient of determination (R^2) reached 0.66; attesting that investment in human capital can explain 66% of the variations in organizational excellence. Additionally, the extracted t-value for the beta coefficient of investment in human capital was (24.482), which is greater than the critical t-value of (1.984). Such a beta coefficient value indicates that an increase of investment in human capital by one unit will lead to a 79% rise of the corporate excellence.

The findings of the simple linear regression applied for testing the sub-hypotheses related to the dimensions of investment in human capital and their influence on organizational excellence revealed that the extracted F-values between the dimensions of investment in human capital and organizational excellence were respectively: 238.109, 284.061, 323.976, and 433.120. These values are greater than the cutoff F-value of (3.94). Based on this result, the corresponding sub-hypotheses could be accepted.

The coefficient of correlation (R)'s values related to the dimensions of investment in human capital and organizational excellence were respectively: 0.666, 0.699, 0.722, and 0.77. These values corroborate that the dimensions of investment in human capital exert a positive influence on organizational excellence. The highest correlation value (77%) is observed between 'skill development' and 'organizational excellence'. On the other hand, the lowest correlation value (66%) is observed between 'training' and 'organizational excellence'.

The coefficient of determination (R^2) values, which indicate the proportion of variance of the organizational excellence that is explained by the dimensions of investment in human capital, were respectively: 0.444, 0.488, 0.521, and 0.592. These values support the evidence that there is variation in the interpretation of the dimensions of investment in human capital for organizational excellence.

The extracted t-values for the beta coefficients (β) between the dimensions of investment in human capital and organizational excellence were found as follows: 15.431, 16.854, 17.999, and 20.812. These values are greater than the critical t-value of 1.984 at a significance level of 0.05; indicating that the effects of the dimensions of investment in human capital on organizational excellence are statistically significant.

The overall results suggest that 'skill development' has the strongest correlation with organizational excellence; while the dimension of 'training' has the weakest correlation with it.

Table 7. Analysis of the impact of human capital investment's dimensions on organizational excellence

Indicators	Dimensions of human capital investment					Dependent variable
	Investment in human capital	Skills' development	Knowledge management	Education	Training	
(α)	0.620	0.935	1.175	1.371	1.302	Organizational excellence
(β)	0.795	0.722	0.601	0.573	0.560	
(R)	0.817	0.77	0.722	0.699	0.666	
(R ²)	0.668	0.592	0.521	0.488	0.444	
(R ²)Adj	0.667	0.591	0.519	0.486	0.442	
(F)	599.372	433.120	323.976	284.061	238.109	
(t)	24.482	20.812	17.999	16.854	15.431	
P	0.000	0.000	0.000	0.000	0.000	
Decision	Alternative hypotheses accepted					

Source: SPSS V.25 output

4.2.2. Hypotheses' testing results related to the mediating effect of 'psychological well-being' on the association between Investment in human capital and organizational excellence

The results related to testing the hypothesis H2 associated to the direct and indirect effects of the mediator 'psychological well-being' on the relationship between 'investing in human capital' and 'organizational excellence' are presented in Table 8 shown hereafter.

As highlighted in the table, the calculated t-value between 'investing in human capital' and 'psychological well-being' was 16.154, which is greater than the tabular t-value (1.984). Therefore, there is a significant and positive influence of "investing in human capital" on "psychological well-being".

On the other hand, the calculated t-value between "psychological well-being" and "organizational excellence" was 7.120, which is higher than the tabular t-value (1.984). Thus, "psychological well-being" exerts a positive influence on "organizational excellence". From the above results, and as illustrated in Table 8 and figure 2 hereafter, it could be deduced that 'psychological well-being' mediates the association between "investing in human capital" and "organizational excellence". Indeed, the indirect effect value between "investing in human capital" and "organizational excellence" was 0.199; thus smaller than the direct effect value of 0.596. Accordingly, "psychological well-being" acts as a mediator that partially mediates the relationship between "investing in human capital" and 'organizational excellence'.

Table 8. Direct and indirect effects between human capital investment and organizational excellence mediated by psychological well-being

Research latent variables			Indirect effect	Direct effect	P	t	Decision	Type of mediation
Investing in human capital	--->	Psychological well-being	---	0.663	0.000	16.154	Significant	---

Investing in human capital	--->	Organizational excellence	0.199	0.596	0.000	14.519	Significant	Partial mediation
Psychological well-being	--->	Organizational excellence	---	0.301	0.000	7.120	Significant	---

Source: Outputs of Smart PLS 4

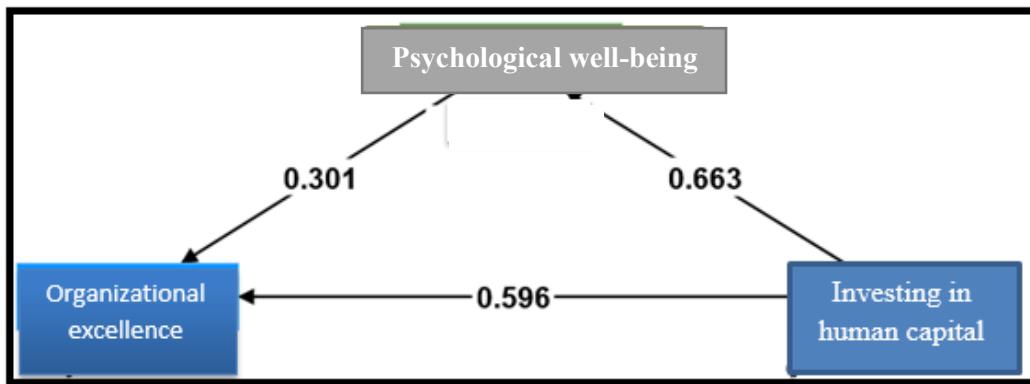


Figure 2. The relationship between human capital investment and organizational excellence mediated by psychological well-being

Source: Outputs of Smart PLS 4

To ensure and confirm that the mediator has a statistically significant influence on the relationship between human capital investment and organizational excellence, the Sobel test was also utilized. As shown in Figure (3) below, the Sobel test value is 6.515; so greater than the critical t-value (1.984). Such a finding supports that 'psychological well-being' has a mediating effect on the relationship between 'human capital investment' and 'organizational excellence'.

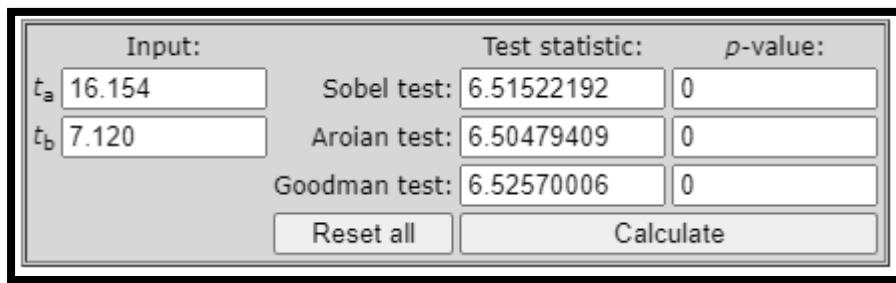


Figure 3. Sobel test for mediation based on t-values

Source: Outputs of the Sobel test

4.2.3. Results' discussion

The current research puts the emphasis on the main factors that could improve the organizational excellence of oil companies in the Iraqi context.

By testing the first hypothesis H1, it was proved that investing in human capital has a positive effect of organizational excellence. In other words, motivating employees and encouraging them to educate their minds and strengthen their skills and capabilities via learning, and training might enable them to increase effectively their organizational performance, by positively influencing the company's strategic, administrative, structural, and employee excellence. Such a finding corroborates the previous assumptions revealed respectively by Emily and Jacob (2015), Londar et al (2020), and Abdehnabi (2020) who advanced that investing in human capital affects the prosperity and development of the country's economy; by improving the excellence of companies and universities as well.

The second hypothesis H2 supposes that psychological well-being mediates directly and indirectly the association between human capital investment and organizational excellence of oil companies in the Iraqi context. As reported earlier, a significant mediating effect was found for psychological well-being and the attained result is in line with the findings of previous researches performed by Tastan (2013), Haider et. al (2018) and Yasir et al (2020). Indeed, while Yassir et. al (2015) explained the role of employee psychological well-being in enhancing job performance of Pakistani workers; Haider et al (2018) highlighted the role played by well-being and satisfaction with coworkers, which act as mediators between work life balance and employee job performance. In other words, the same scholars pointed out that balanced and satisfied employees, those who enjoy working with their colleagues are more likely to be committed to their organization and then to improve its success. Overall, the results presented above are of utmost interest, especially for middle managers, who should learn how to upgrade the excellence of their organizations by well-considering their employees and helping them to foster their capabilities.

5. Main concluding implications, limitations, and future research perspectives

The scope of this study stems from the growing attention drawn by academics as well as practitioners to the topic it is dealing with, as well as to the insightful results it attained. Such findings have important implications for scholars, decision-makers, and managers wherever they are evolving. In fact, it appears that investing in human capital has a positive and a significant influence on psychological well-being and organizational excellence. Similarly, psychological well-being exerts a positive impact on organizational excellence. Besides, from our results' study, the highest impact was found for the dimension of 'skill development', supporting the evidence that fostering employees' skills and capabilities leads to a higher organizational excellence.

Accordingly, Top managers of the Iraqi oil distribution company are conveyed to wisely implement a set of excellent strategies and practices that are related to training, learning, and other professional initiatives dedicated for employees in order to achieve better levels of performance towards excellence. They are also called upon improving the psychological well-being of their employees and investing in upgrading their knowledge, capabilities, values, and social assets, leading to a superior satisfaction. Executives should also practice a strategic thinking with the support of their top managers and dedicate sustained efforts to achieving the strategic goals, which will contribute to strategic excellence.

5.2. Research Limitations

Even if the current study offers many insightful implications and recommendations for scholars and leaders as well, it is not free of several limitations, that could be cited as follows: First of all, our investigation was only dedicated only to the employees of a reputed oil distribution company. Such workers occupied middle-level positions (department managers, division supervisors). Future researches could therefore involve the other higher and upper-level workers of the same companies, and even those pertaining to other enterprises of the same sector and the same ministry. Moreover, the current research lasted more than six months, from October 2022 to May 2023. Such prospective investigations that could be undertaken with other participants, and extended to other samples, could enrich or change the obtained results.

5.3. Recommendations

Top managers are conveyed to review the strategies that are related to training, learning, and other professional initiatives dedicated for employees in order to upgrade their knowledge, capabilities, values, and social assets. For this reason, the training needs of each employee should be identified and recognized so that the company does not engage

random or superficial training courses. By doing so, internal collaborators will perform multiple tasks and enhance the excellence of the whole organization.

Top managers are also appealed to establish a research unit or department within their organization to investigate the psychological, social, economic, and political aspects/states of their employees and explore their impacts on the company's operations that cannot be overstated. Such an initiative can lead to the implementation of effective development and training programs that improves the success of the company, as well as its ability to formulate strategic plans that are convenient for all the departments of the company.

References

1. Abdel-Baqi, Amal Ibrahim Mahmoud, (2020), The effect of improving the level of self-determined mental alertness and its various dimensions on the level of psychological well-being of a sample of females (a quasi-experimental study), *Journal of Psychological Studies*, 30 (1), pp.97-164.
2. Abu Warda, Souha Abdelwahab Bakr. (2020) Psychological wellbeing and its relationship with interactive intelligence of nursery child. Faculty of Early Childhood Education, Al Mansoura University, *Journal of Childhood and Education*, 45 (5), pp. 155-212.
3. Al Shobakib, M. J., Abu Amuna, Y. M., & Abu Naser, S. S. (2017). Organizational Excellence in Palestinian Universities of Gaza Strip. *International Journal of Information Technology and Electrical Engineering*, 6(4), pp. 20-30
4. Al Somaidaee, L. M. M., & AL-Zubaidi, G. D. (2021). Moderating Role of Virtual Teams on the Relation between Cultural Intelligence and Strategic Excellence. *Revista Geintec-Gestao Inovacao E Tecnologias*, 11(4), pp. 3703-3721
5. Al-Khattaba, Muhammad bin Saud, (2020), Self-management skills and its relationship to psychological well-being among students of Imam Muhammad bin Saud Islamic University, *Journal of Human and Social Sciences*, Issue (54), pp.199-278.
6. Al-Saadi, Firas Mahmoud Attia, (2020), The religious spiritual struggle and positive dealing with religion and their relationship to psychological well-being, PhD Thesis Research, The Faculty of Arts at Al-Mustansiriya.
7. Altarawneh, R. M. (2023). The Effect of Strategic Vigilance on Organizational Excellence the Mediating Role of Strategic Foresight. *International Journal of Business and Management*, 18(3), pp.1-52.
8. Al-Zagheer, H., Shawabkeh, H. A. A., Barakat, S., & Nahleh, I. A. (2022). On-line Human Resources Management Model. *Advances in Dynamical Systems and Applications*, 17(1), pp. 37-45.
9. Abu Ghneim, A.N., and Al-Sheikh, M.N.J. (2021). Psychological well-being and its role in the performance of local administrations Analytical study in the center of Maysan Governorate. *XIIkogretim Online- Elementary Education Online*, 20 (5), pp.3355-3365.
10. Bahri, N. (2023). The Psychological Well-Being of Male and Female Students in Tunisia Using the Ryff Scales of Psychological Well-Being. *International Journal of Social Science Research and Review*. 6 (10).47814/ijssrr.v6i6.1150. pp. 397-404.
11. Banmairuoy, W., Kritjaroen, T., & Homsombat, W. (2022). The effect of knowledge-oriented leadership and human resource development on sustainable competitive advantage through organizational innovation's component factors: Evidence from Thailand's new S-curve industries. *Asia Pacific Management Review*, 27(3), pp. 200-209.
12. Bag.S., and Omrane.A. (2021). The relationship between the personality traits of entrepreneurs and their decision-making process: the role of manufacturing SMEs' Institutional Environment in India. *Forum Scientiae Oeconomia*, 9(3), pp. 103-122.
13. Basim Abbas Kraidy Jassmy, & Rabab Ibrahim Kadhim. (2023). The Relationship Between Authentic Leadership And Organizational Excellence In The Framework of the

entrepreneurial Behavior of employees. *Spectrum Journal of Innovation, Reforms and Development*, 16, pp. 98-111. Retrieved from <https://sjird.journalspark.org/index.php/sjird/article/view/720>.

14. Becker, G. S. (1993). Nobel lecture: the economic way of looking at behavior. *Journal of Political Economy*, 101, pp. 385-409.
15. Birasnav, M., Rangnekar, S., and Dalpati, A (2011). Transformational leadership, interim leadership, and employee human capital benefits: the role of knowledge management, *Leadership & Organization Development Journal*, 32(2), pp. 106-126.
16. Bryson, J. M. (2018). Strategic planning for public and nonprofit organizations: A guide to strengthening and sustaining organizational achievement, John Wiley & Sons.
17. Chang, C. F., Wang, P., & Liu, J. T. (2016). Knowledge spillovers, human capital and productivity. *Journal of Macroeconomics*, 47, pp. 214-232.
18. Chopra, Parvesh K.; Kanji, Gopal K. (2010). Emotional intelligence: A catalyst for inspirational leadership and management excellence. *Total Quality Management & Business Excellence*, 21(10), pp. 971–1004.
19. Daharat, A. N. M., Sued, M. K., & Gheisari, A. (2022). The Impact of Integrated Management System on the Organizational Excellence and Organizational Innovation. *Education Research International*, pp.1-10
20. Ferreira, R. (2022). From Knowledge Management to Career Management and Related Concepts: Conceptual Model. In European Conference on Knowledge Management Vol. 23, No. 1, pp. 388-396.
21. Haider, S., Jabeen, S., & Ahmad, J. (2018). Moderated mediation between work life balance and employee job performance : The role of psychological wellbeing and satisfaction with coworkers. *Revista de Psicología del Trabajo y de las Organizaciones*, 34(1), pp. 29-37.
22. Khasanova G.Kh., Nikadambaeva Kh.B., & Kenjaboev Sh.Kh. (2021). The role of education system in human capital development. *East European Scientific Journal*, 2-1 (66), pp. 48-51.
23. Kucharčíková, Alžbeta & Miciak, Martin & Tokarčíková, Emese & Štaffenová, Nikola. (2023). The Investments in Human Capital within the Human Capital Management and the Impact on the Enterprise's Performance. *Sustainability*. 15. 5015. 10.3390/su15065015.
24. Lucas, R., E. (1988). On the mechanics of economic development. *Journal of Monetary Economics*, 22(1), pp. 3-42.
25. Naroš, M-S., and Simionescu, M. (2019). The role of education in ensuring skilled human capital for companies. *Theoretical and Empirical Researches in Urban Management*, 14(1), pp. 75–84.
26. Mazari, S., Hamza, B., & Berrazouane, H. (2021). Psychological well-being and its relationship with positive thinking among university students. *Psychological and Educational Studies*, 37(1), pp. 42-55.
27. Mohamad Noor Al-Jedaiah and Rokaya Albdareen (2020). The effect of strategic human resources management (SHRM) on organizational excellence. *Problems and Perspectives in Management*, 18(4), pp. 49-58.
28. Mohammed, R.M., & Al-Zeidi N.J.A. (2022). Knowledge Sharing and Its Role in Organizational Excellence, *International Journal of Research in Social Sciences & Humanities*, 12(2), April-June Issue, pp. 105-118.
29. Saleh, M.Y. (2019). The effectiveness of a cognitive-behavioral counseling program in improving the quality of psychological life among Al-Quds Open University students, Master's thesis in psychological and educational counseling submitted to Al-Quds Open University, Palestine
30. Omar, Z., & Yousif, M. (2023). The effect of strategic behavior typology on organizational excellence: "A study of the opinions of the heads of scientific departments

in a number of private universities in the Kurdistan region of Iraq. *Humanities Journal of University of Zakho*, 11(1), pp. 32–49.

31. Omrane, A. (2015). Entrepreneurs' social skills and access to external resources: the role of social capital. *International Journal of Entrepreneurship and Small Business*, 24(3), pp.357-382.

32. Omrane, A. (2019). Oser se découvrir pour s'épanouir- Guide des méthodes et outils de développement personnel (*Dare to discover ourselves to blossom- Guide of personal development methods and tools*), EMS (Editions Management et Société (EMS Coach)) Editions, 228 pages.

33. Omrane, A. (2020). Which appropriate skills needed for the entrepreneurial success of start-ups at the era of digitalization?: A literature review, Book Chapter (N°14) in «*Developing Entrepreneurial Competencies for Start-Ups and Small Busines* » (pp. 215-235), IGI Global Disseminator of Knowledge editions, DOI: 10.4018/978-1-7998-2714-6.

34. Omrane.A., Mukherjee.S., Das. M.K., and Chatterjee.A. (2023). Main socio-psychological effects of pandemic on individuals' well-being and life satisfaction, *Environment and Social Psychology*, 8(53). DOI: <https://doi.org/10.54517/esp.v8i3.1757>.

35. Owings, W. A., Kaplan, L. S., & Pirim, Z. (2012). Education as an investment in Turkey's human capital: A work in progress. *Eurasian Journal of Business and Economics*, 5(10), pp. 45-70.

36. Qawasmeh, F., Darqal, N., & Qawasmeh, E. (2013). The Role of Organization Culture in Achieving Organizational Excellence: Jadara University as a Case Study. *International Journal of Economics & Management Sciences*. 2. pp. 05-19.

37. Raoof, R., Basheer, M. F., Shabbir, J., Ghulam Hassan, S., Jabeen, S., & Wright, L. T. (rev.ed.). (2021). Enterprise resource planning, entrepreneurial orientation, and the performance of SMEs in a South Asian economy: The mediating role of organizational excellence. *Cogent Business & Management*, 8(1), pp.1-18.

38. Ross, J. E. (2017). Total quality management: Text, cases, and readings, Routledge Taylor&Francis Publishers.

39. Rula Hani AlHalaseh, and Ziad Ayoub (2021). Strategic Flexibility Mediating the Impact of Entrepreneurial Orientation on Organizational Excellence. *International Review of Management and Marketing*, 11(6), pp. 21-29.

40. Ryff, C. D. (2013). Psychological Well-Being Revisited: Advances in the Science and Practice of Edaimonia, *Psychotherapy and Psychosomatics*, pp. 10-28.

41. Ryff, C. D. (2018). *Eudaimonic Well-being*, "in Diversity in Harmony – Insights from Psychology. Proceedings of the 31st International Congress of Psychology, (New York, NY: b JohnWiley and Sons), 375.

42. Ryff, C., & Keyes, C. (1995). The structure of psychological well-being revisited. *Journal of Personality and Social Psychology*, Vol. 69 No. 4, pp. 719–727.

43. Soosay C.A. (2005). An empirical study of individual competencies in distribution centres to enable continuous innovation. *Creativity and innovation management*, 14(3), pp. 299-310.

44. Sujchaphong, P. (2013). Individual human capital and performance: an empirical study in Thailand, PhD of philosophy presented to the faculty of the graduate school, University of Texas at Arlington.

45. Ukenna, S., & Ijeoma, N., & Anionwu, O. (2010). Effect of Investment in Human Capital Development on Organizational Performance: Empirical Examination of the Perception of Small Business Owners in Nigeria, *European Journal of Economics, Finance and Administrative Sciences*, Issue 2 , pp 93-107 .

46. Wahab, M. H. A. A., Ibrahim, N., Yaacob, A. A., Ismail, M., Muhyiddin, M. N., Ab Rahman, S. M., & Osman, A. A. (2022). Exploring the Success Factors of Operational Excellence in SMEs Manufacturing Sectors. *International Journal of Academic Research in Business and Social Sciences*. pp.1505-1515.

47. Yasir, M., & Majid, A. (2020). High-involvement HRM practices and innovative work behavior among production-line workers: mediating role of employee's functional flexibility. *Employee Relations*, 42(4), pp. 883-902.

48. Zehir, C., Üzmez, A., & Yıldız, H. (2016). The Effect of SHRM Practices on Innovation Performance: The Mediating Role of Global Capabilities. *Procedia—Social and Behavioral Sciences*, 235, pp. 797-806.

49. Zula, K. & Chermack, T. (2007). Human Capital Planning: A Review of Literature and Implications for Human Resource Development, *Human Resource Development Review*, Vol. 6, No., pp. 245-26.

Annexure

Table 1. Quality indicators for the ‘human capital investment’ variable

Constructs	No of items	Cronbach's Alpha	Composite Reliability CR	Average Variance Extracted (AVE)
Training	3	0.815	0.818	0.598
Education	3	0.827	0.824	0.607
Knowledge management	3	0.875	0.874	0.701
Skills' development	3	0.770	0.770	0.528

Table 2. Quality indicators for the “organizational excellence” variable

Constructs	No of items	Cronbach's Alpha	Composite Reliability CR	Average Variance Extracted (AVE)
Administrative excellence	5	0.853	0.886	0.564
Employee excellence	7	0.899	0.911	0.567
Excellence in organizational structure	5	0.914	0.906	0.677
Strategic excellence	5	0.898	0.897	0.638

Table 3. Quality indicators for the ‘psychological well-being’ variable

Constructs	No of items	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted AVE
Self-acceptance	3	0.873	0.998	0.816

Building positive relationships with others	3	0.844	0.887	0.676
Adaptability to the work environment	3	0.737	0.808	0.531
Life purpose	3	0.736	0.848	0.560
Personal growth	3	0.724	0.833	0.546
Job autonomy	3	0.784	0.784	0.650