# THE IMPACT OF COLLEGE OF TECHNOLOGY (CoT) LEADERSHIP STYLE ON THE PERFORMANCE OF GRADUATES JOINING THE OMANI CONSTRUCTION INDUSTRY

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by

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and knowledge share.

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### LIST OF ABBREVIATIONS

AVE Average Variance Explained

BOT Board of Trustees

CoTs Colleges of Technology

CR Composite Reliability

DGTE Directorate General for Technical Education

DV Dependent Variable

FRT Full Range Theory

GCC Gulf Cooperation Council

GDP Gross Domestic Product

HEC Higher Education Council

HEI Higher Education Institutions

IVs Independent Variables

LMX Leader Member Exchange Theory

MLQ Multifactor Leadership Questionnaire

MoM Ministry of Manpower

MV Mediator Variable

OAAA Oman Academic Accreditation Authority

OJT On-the-job training

OSOM Oman Symposium of Management

PLS-SEM Partial Least Square Structural Equation Modeling

SPSS Statistical Package for Social Science

SQU Sultan Qaboos University

TC Technical Committee

# IMPAK GAYA KEPEMIMPINAN KOLEJ TEKNOLOGI (CoT) TERHADAP PRESTASI GRADUAN YANG MENYERTAI INDUSTRI PEMBINAAN OMAN

### **ABSTRAK**

Perkembangan pesat industri pembinaan Oman membawa kepada keperluan pekerja yang layak dan berkemahiran bagi berkhidmat dalam industri. Pada masa ini, 92.5% pekerjaan telah didominasikan oleh ekspatriat. Dengan polisi Omanisasi, peratusan ekspatriat dijangka dikurangkan dan diganti oleh orang tempatan yang berkemahiran. Di Oman, Kolej Teknologi Oman (CoT) merupakan institusi utama yang dipertanggungjawabkan untuk menyediakan graduan dengan kemahiran yang diperlukan industri. Namun, prestasi kebanyakan graduan masih lagi tidak mencapai jangkaan majikan. Kekurangan kemahiran dan kepakaran orang tempatan menimbulkan masalah untuk merealisasikan polisi Omanisasi. Kajian terdahulu menunjukkan bahawa gaya kepemimpinan universiti dan kolej, kekurangan koordinasi dan perancangan efektif di antara latihan pendidikan dan pembangunan akan memberi impak terhadap prestasi pekerja dan kemudiannya para graduan. Oleh itu, kajian ini bertujuan mengenal pasti gaya kepemimpinan yang dipraktikan dalam CoT di Oman. Selain itu, kepentingan latihan di Institusi Pengajian Tinggi terutamanya dalam sektor pembangunan menyebabkan kajian ini juga memeriksa peranan antara pengalaman latihan pekerja dan gaya kepemimpinan dan prestasi pekerja di CoT Oman. Berdasarkan teori Full Range Leadership Theory (FRT) dan Pertukaran Pemimpin-Ahli (LMX), model konseptual dibangunkan dan diuji menggunakan 175 sampel di dalam tujuh CoT di Oman. PLS-SEM dijalankan menggunakan perisian PSL (versi 3.2.3). Hasil menunjukkan bahawa gaya kepemimpinan transaksional dan prestasi kerja pekerja tetapi dalam keberkesanan tahap rendah. Walau bagaimanapun, latihan pekerja didapati mempunyai keberkesanan perantaraan negatif terhadap laissez-faire - italize dan prestasi kerja pekerja. Hasil menunjukkan bahawa gaya kepemimpinan transformasi dan transaksional penting kepada CoT dalam menyediakan latihan kepada pekerja serta memastikan prestasi tinggi pekerja dan graduan mereka. Oleh itu, CoT harus membangunkan kemahiran kepemimpinan pengurusan dengan memfokuskan gaya kepemimpinan transformasi dan transaksional, memastikan pengalaman latihan praktikal pekerja mendapat jangkaan prestasi tinggi dalam kalangan pekerja dan graduan binaan yang menyertai industri pembinaan di Oman. Pihak berkuasa tinggi Kementerian Tenaga Manusia harus meningkatkan kepemimpinan semua CoT dan kolej lain dengan tingkah laku kepemimpinan dan latihan praktikal yang sesuai kerana ia penting dalam menaikkan prestasi kerja pekerja dan prestasi graduan. Kementerian Sumber Manusia harus meningkatkan jaringan industri di antara CoT dan sektor industri pembinaan di Oman.

# THE IMPACT OF COLLEGES OF TECHNOLOGY (CoT) LEADERSHIP STYLES ON THE PERFORMANCE OF GRADUATES JOINING THE OMANI CONSTRUCTION INDUSTRY

### **ABSTRACT**

The rapid growth of the Omani construction industry brought upon the need for more qualified and skilled labour to serve the industry. Currently, 92.5% of employment portions is dominated by expatriates. With Omanization policy, the percentage of the expatriates is expected to reduce and replaced by skilled locals. In Oman, Colleges of Technology (CoTs) are key institutions, which are tasked with equipping graduates with the industry required skills. However, the performance of most of the graduates is still below employers' expectations. The lack of necessary skills and expertise of the locals creates a problem to realise the Omanization policy. Previous studies indicated that styles of leadership of universities and colleges, lack of coordination and effective planning between education training and development would have an impact on the performance of employees and subsequently on the graduates. Therefore, this study seeks to investigate the leadership styles, which are being practiced at CoTs in Oman. Due to the importance of training in Higher Education Institutions, especially in the construction sector, this study also examines the mediating role of the employees' training experience between leadership styles and employee job performance in CoTs in Oman. Based on Full Range Leadership Theory (FRT) and Leader Member Exchange Theory (LMX), a conceptual model was developed and tested using 175 samples across seven CoTs in Oman. The PLS-SEM was conducted using smart PLS software (version 3.2.3). Findings revealed that transactional leadership style is the most dominated style practiced by heads of CoTs. The study confirmed that training experience mediated the relationship between transformational style and employee performance. It also mediated the relationship between transactional style and employee job performance, but in a lower effect. However, employee training was found to have a negative mediating effect on laissez-faire and employee job performance. Findings suggested that transformational and transactional leadership styles were important to Colleges of Technology in providing training for their employees, as well as ensuring high performance among employees and their graduates. Therefore, CoTs should carefully develop managerial leadership skills focusing on transformational and transactional leadership styles, ensuring a practical training experience among employees to gain high expectations of performance among construction employees and graduates joining the construction industry in Oman. Higher authorities of the Ministry of Manpower should enhance leaders of all CoTs and other colleges with appropriate leadership behaviour and practical training due to its importance in raising the employees' job performance and graduates' performance. The Ministry of Manpower should also enhance the industrial link between Colleges of Technology and the construction industry sector in Oman.

### **CHAPTER ONE**

### INTRODUCTION

### 1.1 Introduction

This chapter provides an overview of the research background and the problem statement. It presents the research objectives, questions, significance, and contribution of the study. It also presents the scope of the study and briefs on research methodology. Finally, this chapter outlines the organization of this study.

### 1.2 Background of the Study

For the past two decades, There have been drastic changes in social, cultural, technological, and political facets of the world. In line with these changes, the Sultanate of Oman has witnessed massive changes in terms of industrial growth and development, mostly due to the boost in the industry of oil production. Accordingly, the Omani construction industry has been experiencing a massive urban boost to cater for the Sultanate's rapid growth in building and infrastructure demand (Saleh, 2015).

According to the National Centre for Statistics and Information (NCSI, 2016), the building and construction sector in Oman contributed OR2.05bn (\$5.3bn) to the economy in 2014, up from OR1.89bn (\$4.9bn) in 2013 and OR1.75bn (\$4.5bn) in 2012. It thus accounted for 8.2% of GDP in 2014, up from 7.5% and 7.1% in 2013 and 2012, respectively, at constant prices. Overall, the construction sector in Oman is

performing well and is contributing to the rise of the GDP for the Sultanate of Oman's economy.

"The pressure of modernization and urbanization has induced a positive growth in Oman's construction sector, especially in the infrastructure development" (Zainul Abidin & Powmya, 2014). Therefore, opportunities and challenges have emerged as the Omani construction industry requires various types of skills and qualifications of its labour so that they can effectively participate in catching up with the Sultanate's and the Gulf cooperation Council (GCC) latest developments in the construction sector in particular (Al-Lamki, 2002; Ewers, 2016).

The Sultanate of Oman's government has introduced a five-year development strategy plan for its economic and social development, aiming to diversify the national economy and to decrease its dependency on oil as a main source of income. The Omani government has developed its economic policy to assure the continuing level of economic and political stability, and to create more jobs for young Omanis. In addition, it has used different tools to encourage the private sector to contribute more towards the development of the national economy. It has also granted various incentives such as free land, soft loans, low tariffs, and free industrial estates. It has subsidized programs to offer higher education and training opportunities through private universities and training institutes. The government has an Omanization strategy to feed the economy with young Omanis and to reduce the number of expatriates (Al-Lamki, 2000).

The emergence of a strong private sector in Oman has led to an increasing need for higher education institutions to prepare Omanis with the qualifications and skills required to meet the local industry requirements. Currently, the Sultan Qaboos

University is the only public University in Oman. Overall, there are six Colleges of applied science, seven technical colleges, four vocational training and 13 health institutes, all of which are supervised by different government bodies. Moreover, there are seven private universities and 19 private colleges that are affiliated with foreign universities (Al-Bandari, 2005). Higher Education Institutions (HEIs) in Oman faced different challenges such as educational policies and regulations, management of universities, colleges funding, maintaining quality standards and institutional leadership. Al-Lamki (2006) insisted that decision makers of HEIs in Oman are facing major challenges, the most important of which, is leadership. In many developing countries, the situation is not much better than in Oman. Higher education institutions all over the world are facing almost similar obstacles. They have to respond to the world economy requirements as globalization has had a huge impact on higher education in general in many countries of the world (Al-Balushi, 2012). Therefore, strong academic leadership is required for the effective running of educational institutions. Leadership is essential to ensure the success of an organization, through which organizations could be led to achieve goals, and to ensure high performance.

Leadership is a process by which the leader influences the followers towards organizational objectives (Lussier & Achua, 2004). Leadership is considered as a key element in the performance of an organization in general and employees in particular (Vigoda-Gadot, 2007). In support of this view, Anand & UdayaSuriyan (2010) stated that, in all organizations, leadership is a key practice and the most significant factor for success or failure of an organization. Mohammadi, Alaie and Pourghaz (2012) emphasized that behaviours of leaders are largely affected by their

leadership styles and employees are influenced by their leadership behaviours, which in turn influence the improvement and performance of the organization.

Leadership plays a vital role in educational institutions so that challenges are met and institutions' roles are restructured in order to advance national development. Efficient leadership is crucial in running these institutions in the complicated, globalized environment (Altbach, 2011). Wang and Berger (2010) clearly stated the importance of having a relation between leadership theories and practice to motivate leaders to apply theories in their practice at HEIs. Various theories have emphasized personality, behaviour, context or relationships. The most influential leadership theories are: Leadership Trait Theories, Leadership Behaviour Theories, Leader Member Exchange Theory, Contingency or Situational Theories and Full-Range Leadership Theory, which is also called as a Transformational Leadership Theory (Martin & Stella, 2007). Thus, an effective type of leadership and management has become necessary for the successful running of universities. According to Northouse (2007), transformational leadership is required in higher education institutions, where leaders drive, engage and motivate employees to work effectively and to respond positively to the required changes.

The recent report of the Oman Symposium on Management indicated that, the performance of the CoTs graduates is unsatisfactory as observed by several employers from the industry, especially the construction industry, pointing out towards the gap existing between the delivered knowledge and actual expectation. This was noticed and discussed through feedback reports by the stakeholders through the Oman Symposium of Management (OSOM), which was held in March 2012. The major complaints cited by the industry personnel are: 1) Lack of basic written,

verbal and virtual communication skills in English. 2) Inability to plan, design and implement strategies pertaining to project completion. 3) Lack of reasoning and analytical mindset to convert infrastructural challenges into opportunities. 4) Absence of basic arithmetic skills in domains related to civil engineering, project management and architectural design. 5) Inability to adapt, embrace and implement new technologies on a periodical basis. 6) Lack of critical thinking to analyze and solve problems so as to manage change more effectively. 7) Inability to apply theoretical learning within the professional and practical working environment and (8) Lack of application of business domains related learning precisely in line with the requirement of the construction industry (OSOM, 2012).

In addition, Ibra College of Technology has organized a workshop on developing and strengthening of On-the-Job Training between CoTs and the local industry, which was held on February 2015. The industry human resource training managers claimed that graduates of colleges of technology lack knowledge, as well as technical and English language skills. Furthermore, graduates of CoTs are unable to work independently. They have an inability to multitask. They lack interpersonal skills and self-motivation. There is also a lack of follow-up mechanisms by the colleges themselves. Therefore, more emphasis should be placed on the practical aspect of employee training (DeSOT, 2015).

Recently, researchers have been paying attention to leadership studies at Oman Private Higher Education Institutions (HEIs) despite the fact that only few studies have been conducted (e.g., Albulushi & Hussain, 2008; Al-Balushi, 2012;). However, the leadership style in the Omani HEIs still requires to be studied, to be properly understood. Based on the literature on leadership in Oman, it can be

observed that findings from previous empirical studies showed only few studies on styles of leadership in higher education. Albulushi and Hussain (2008) indicated that the main leadership style that exists among senior and middle managers at Majan Private College is transformational, although there is also evidence of authoritarian, and participative leadership styles, whereas Al-Balushi (2012) in his study of leadership of private universities and colleges in the Sultanate of Oman has examined performance and the role of leadership at the level of presidents and discussed a selection criterion needed for selecting university and college presidents for the private HEIs in Oman. Al-Balushi's (2012) research has explored the current situation of academic leadership in three private universities and three private colleges by seeking internal and external views and opinions. His findings contributed to assist the Ministry of Higher Education, Oman and decision makers to develop their policies and to review the selection criteria to choose qualified candidates for the position of presidents and deans to lead Omani private higher education institutions. Both studies were conducted on private HEIs. However, studying transformational and transactional leadership using a contemporary approach such as the relational approach to leadership is still limited in Oman. The current study aims to identify the prevailing leadership styles in Colleges of Technology (CoTs), Oman.

In conclusion, the leadership style is yet to be uncovered in Omani CoTs. Additionally, job performance is the key tool, which reflects organizational performance. Training is an important factor that helps raise levels of performance. The role of training in CoTs, especially in the construction departments becomes more important than before due to unsatisfactory performance of CoTs' graduates in the construction industry. Therefore, this study focuses on leadership styles with

regard to academic employees' performance and their impact on producing graduates from Omani colleges of technology, who supposed to be highly skilled and well trained and qualified to suit the construction industry sector in Oman. In addition, only a few studies, to the best researcher's knowledge, examined the variables' mediating role of leader-follower relationship (Jing & Avery, 2008). Therefore, the training experience is proposed to play as a mediator between leadership styles and employee job performance in this study.

### 1.3 Statement of the Problem

There has been a recent shift in the construction industry worldwide and changing norms in the workplace, coupled with globalization and the emergence of new technology demand highly skilled employees, who have the ability to adapt, embrace and implement the change (Audu, Kamin, & Saud, 2013). According to Muk-Ngiik Wong and Jamil (2006), countries around the world witness the mismatch between skills present in the graduates joining various domains of the construction industry, with regard to the requirements of the employers, especially when it comes to the sourcing of their manpower. The industry demands qualified and skilled employees, who are able to adapt according to the needs of the working environment. However, with the comments received from OSOM (2012) and DeSOT (2015), it seems that the graduates of technical colleges in the Sultanate of Oman have not met the desired expectations and demands required by the industry. The Omani private sector has recently grown and its products and services have also witnessed a considerable increase. This has been shown by results of statistical data analysis conducted by the government. According to the National Center for

Statistics and Information (2016), the Gross Domestic Product (GDP) in 2015 increased by 2% of construction, 1% of the wholesale and retail trade sector, and 8% of other activities compared to the GDP of 2014, which was 6%, 7%, 30%, respectively for construction, the wholesale and retail trade sector, and other activities. Table 1.1 shows the structure of the GDP by sector in Oman for the period from 2014 to 2015.

Table 1.1 Structure of Gross Domestic Product by Sector in Oman

Sector	GDP 2014	GDP 2015
Petroleum Activities	47%	34%
Construction	6%	8%
Wholesale & Retail Trade	7%	8%
Public Administration and	10%	12%
Defence	10%	12%
Other Activities	30%	38%

> Source: NCSI (2016)

Consequently, this progress and development demanded skilled and well-prepared graduates. The recent growth percentage reached approximately 50% in comparison with 2006 growth percentage (Ministry of Manpower, 2014). Until recently, skilled and well-equipped labor has been a real challenge for the Omani Ministry of Manpower. Professions like civil engineers, architects, design engineers, foremen, project engineers, and shift supervisors are coming to the fore. Hence, they need well-qualified professionals in order implement the emerging technologies to complete projects on time.

The construction sector in the Gulf Cooperation Council (GCC) region is experiencing a rapid expansion owing to factors like economic growth, burgeoning population and modernization. The Sultanate of Oman is one of the countries in the

GCC, which has known for its consistent economic progress, peace, and stability in the region over the past 4 decades. The backbone of Oman's economy is oil, which comprises around 80 percent of the total government revenue (Gani, 2015). In order to support and sustain the GCC countries' rapid development in the wake of a shortage of supply of indigenous labour, foreign workers were imported to fulfil this role. Over time, many of the GCC countries become dependent on cheaper and more qualified expatriate labour (Al-Lamki, 2000). The presence of foreign workers in this region has, in fact, outgrown the indigenous workforce, and typically represents a majority. In support of this, Asif (2016) stated that the GCC region has a population of 46 million, the majority of which, consists of expatriate workers.

Today, the industry is facing a gap regarding the inconsistency between the real profession and the skills of the graduates. Such mismatch between industry employers and graduates' proficiency is considered a serious obstacle to graduates' employment in the industry sector (Orbeta, Gonzales & Cortes, 2016). The global challenge is also being replicated in the Arabian Gulf countries as most of the Gulf Cooperation Council (GCC) countries, including the Sultanate of Oman are struggling to provide the industry with equipped, oriented manpower precisely in line with the requirements of the job market, including that of the private, as well as the public sector (Al-Balushi, 2012).

The Omani experience with respect to national development and economic growth is similar to its neighbouring GCC countries. Oman shares with the rest of the GCC countries similar constraints regarding the availability of an educated and experienced indigenous workforce (Asif, 2016). In Oman's initial socioeconomic development phase, the traditional pattern and practice of depending heavily upon

foreign labour was acceptable and considered the only source of manpower due to the acute shortage of qualified and experienced national workforce. Historically, Oman had a substantial non-Omani expatriate labour force working in public and private sectors (Schmidt, Moideenkutty, & Al-Busaidi, 2013). According to the Statistical Year Book of July 2016, the total population in Oman was (4,159,000) in 2015, 44% of the population are expatriates living in Oman. Table 1.2 shows the total population by nationality in the Sultanate of Oman in 2015.

Table 1.2 Total Population in the Sultanate of Oman in 2015

Nationality	N	%
Omanis	2,345,000	56
Expatriates	1,814,000	44
Total	4,159,000	100

> Source: NCSI (2016)

The current composition of the labour force in the Sultanate's private sector is predominantly 1,636,038, of which (89%) are foreign expatriate workers considering only 11% of the Omani employees in the same sector. Due to the fact that there are 1,636,038 expatriates in Oman, the country has a high dependence on foreigners working in the construction industry. They are (639,209) expatriates compared with (52,571) Omanis, which represent only 7.5%. Table 1.3 shows the total private sector workforce (by nationality) in the Sultanate of Oman in 2016.

Table 1.3 Private Sector Workforce in the Sultanate of Oman in 2015

Nationality	N	%
Omanis	639,209	11%
Expatriates	1,636,038 (81%)	89%
Total	2,275,247	100

➤ Source: NCSI (2016)

To overcome the issue of the expatriate workers, the government has established and empowered a number of public institutions such as Technical Colleges, and Vocational Training under the Ministry of Manpower. It has also established the Omanization Follow-up Committee to oversee the Omanization process (the training and development of a national cadre to gradually replace the expatriate workforce) in the country. These efforts came to replace the large expatriate workforce in the country, as well as to ensure having qualified and skilled employees in the Omani workforce, who actively participate in the country's economic development and prosperity.

Despite the availability of an educated national workforce graduated from vocational training institutes, as well as technical colleges and universities, the trend in the private sector continues to favour a preference for expatriate labour. Studies indicated that this predicament and disparity regarding the profile and composition of the private sector workforce are due to a number of reasons, including leadership of universities and colleges and a lack of coordination and planning between education (training & development) and labour market requirements (Al-Lamki, 2000; Al-Balushi, 2012; Belwal, Al Balushi, & Belwal, 2015).

It has been proved that the absence of an effective leadership style, which can understand the needs of the industry, has been affecting employee performance in particular and the organization output in general (Mohammadi et al., 2012; Shafie & Nayan, 2010; Al-Balushi, 2012; Al-Lamki, 2006). Such absence of an appropriate style of leadership has in turn resulted in unsatisfactory output in terms of the alumnus graduating from CoTs joining the local industry specifically construction

industry. The future of universities is dependent on transformative leaders to realize that their universities operate in a global-knowledge environment and that their graduates have to work effectively with national development along with local and global challenges. This is to ensure that a transformation leader is essential to run higher education institutions, to build a good strategy and to deal carefully with the policy makers, who also need experience and knowledge to understand and deal with academic complex institutions (Altbach, 2011; Wang & Berger, 2010). According to the OSOM (2012) report, graduates of Colleges of Technology lack the necessary skills for the local industry as mentioned earlier in the background of this study. Does that have anything to do with the lecturers' inability to align their teaching-learning processes and techniques with the precise requirements of the construction industry? It goes without saying that academic lectures and leaders at higher educational institutions are required to equip their students with the necessary knowledge and skills for the job field (Shafie & Nayan, 2010).

However, technical and entrepreneurial education in Oman has been restricted solely to vocational education institutions, and colleges of technology offer competency-based knowledge, on-the-job training, and enhancement practical training course to develop graduates practical and entrepreneurial skills (Belwal, Al-Balushi, & Belwal, 2015). Graduates of CoTs still lack the necessary skills to enable them to join the local market as ready employees. The educational system in Oman has no clear strategy for encouraging creative methods, no business-related knowledge in the school curriculum, and no entrepreneurship development centre in any of the public or private colleges (Al-Shanfari, 2012).

The Sultanate of Oman experienced major challenges during its process of nation building and economic development. A major stumbling block during the process was the training and development of national (Omani) human resources to enable them to take an active role in supporting and contributing towards the country's rapid development (Al-Lamki, 2006). The lack of skills and competency for private sector jobs has been reported as a major impediment to local recruitment. To address this disparity composition of the workforce, many of the GCC countries embarked on rigorous training and development programs in order to promote the employment of nationals in the labour market. In Oman, training and development Omani human resources to a high level of efficiency and competency is a must. This is due to a number of reasons, including less dependence on oil resources, less dependence on foreign (expatriate) workers, Omanization, implementation of a successful privatization program, technological innovation, and an increasingly competitive global market.

The private sector in Oman, especially the construction sector faces obstacles to Omanization, the Omanization percentage in the construction sector is very small 7.5% as mentioned earlier and this is due to the clear reluctance of the private sector employers to recruit unqualified, less experienced and more expensive Omani labour, and a foreign-dominated organizational culture operating in a foreign English language. The government is trying its best to remove these hurdles, especially in the area of non-compliance of the training with the private sector requirements. Therefore, faculty awareness pertaining to the skill requirements and work experiences in the industry, specifically the construction sector is an essential prerequisite for Technical Colleges. Both Altbach (2002) and Wang and Berger (2010) emphasized that universities principals' are in fact responsible for providing

proper and appropriate training programs so that their graduates are skilfully qualified and more efficient for the job. With respect to the Omani economy, it depends to a great extent on efficient training and leadership, especially in the education sector in Oman (Al-Lamki, 2006). Therefore, strong technical and personal skills should be possessed by both leaders and employees of colleges of technology in line with the ones required by the construction industry.

Employee performance is also related to employee training. According to Nassazi (2013), a key role is played by employee training so that performance and production are improved. Therefore, performance improvement is generated by training. This can be achieved by improving knowledge and required skills of employees (Sultana, Irum, Ahmed, & Mehmood, 2012; Harrison, 2009).

Based on literature, effective leadership behaviors were reported as an important factor that affects performance at all supervisory levels. It could be one of the key factors, which would assist to increase performance level. Previous studies have not examined the relationship between leadership styles and job performance in CoTs, Oman. Accordingly, the researcher took an interest in the heads of departments' leadership styles, which could be considered as one of the solutions to improve employees' job performance, as well as graduates' performance in the industry.

For the purpose of the present study, the leadership style itself may not necessarily be the only factor affecting job performance due to the importance of training in technical education as discussed previously. Leaders are required to provide training to their subordinates for better performance. Moreover, as mentioned in the background of this study, CoTs may still be struggling in

producing well-trained graduates to the industry if training is not taken seriously. It is suggested that training is an important factor that can explain the effect of leadership style on job performance.

Based on literature, training was positively affected by transformational and transactional leadership styles (Wang & Berger, 2010; Tabassi & Bakar, 2009). Additionally, training of employees was reported as a key factor, which affects job performance of employees (Nassazi, 2013). Solutions can be suggested to improve the unsatisfactory performance of CoTs graduates by identifying the effect of leadership styles of heads of departments on training of employees, and the effect of training of employees on their job performance in producing suitable graduates for the construction industry. Related literature strongly supports that leadership style – job performance relationships need to be investigated by mediating variables (Jing & Avery, 2008; Yukl, 1989). Hence, the role of training is suggested here to be a mediator.

Consequently, the framework of the present study links leadership style as an independent variable, employee training as a mediator and job performance as the dependent variable. Additionally, the framework of the present study emerged from FRT and LMX theory. The idea behind full-range leadership is that there exists a constellation of leadership styles or behaviors, ranging from transformational behaviours of those who create a vision to guide the change and inspire people to perform beyond expectations to laissez-faire leaders, who basically do nothing while expecting results from their followers (Avolio, 2010). Three styles (transformational, transactional and laissez-faire) are distinguished under this theory. In this study, the researcher utilized FRT because it is considered the most appropriate theory, which

explains the effect of different leadership styles on employee performance. Each of the three styles has either a positive or a negative effect on employee performance (Diebig, Bormann, & Rowold, 2016; Williams, 2016).

In this study, LMX theory assumed that exchange between the leader and follower occurs through training (Graen, Dansereau, & Minami, 1972). In this regard, empirical studies have shown that this exchange is determined by high or low quality relations. As such, considering the role of employee training as a potential mediator may direct the present study towards a clearer vision in order to propose solutions. Leadership style is the factor that has effects on employees' satisfaction derived by training. Accordingly, employees may perform better when they are enhanced by training. When they have the practical skills about their jobs, they attain institutional objectives and feed the industry with capable graduates.

In conclusion, this study addresses the relationship between leadership styles of CoTs heads in Oman and employees' job performance with a mediating variable, which is training experience. This study is quantitative in nature, incorporating structural equation modelling (SEM) approach. A preliminary study through interview was conducted to get insights about the problem raised in order to establish the level of work performance of fresh graduates from CoTs. Fresh graduates are defined as the graduates who lack the employability skills; employability skills described by Dacre, Pool, and Sewell (2007) as "those basic skills necessary for getting, keeping, and doing well on a job as the skills that can be teachable.

### 1.4 Research Questions

- 1. What is the level of work performance of fresh graduates from CoTs?
- 2. What are the types of leadership being practiced at CoTs in Oman?
- 3. Does employees' training experience in the industry mediate the relationship between (transformational, transactional, and laissez-faire) leadership styles and employee job performance in Colleges of Technology in Oman?

### 1.5 Aim of the Study and Research Objectives

The aim of this study is to develop a leadership, training, and performance framework for Colleges of technology Oman (CoTs).

The objectives of this study are:

- 1. To establish the level of work performance by fresh graduates from CoTs.
- 2. To investigate the leadership styles being practiced at CoTs in Oman.
- 3. To examine the mediating role of the employees' training experience between (transformational, transactional, and laissez-faire) leadership styles and employee job performance in CoTs in Oman.

### 1.6 Significance and Contribution of the Study

Leadership styles have received lots of interest by many scholars, but few studies were interested in styles of leadership with respect to the public higher education sector. In addition to its impact on the graduates' employability in the industry in general and in the construction sector in particular in Oman, this study is significant to the literature repository as it studies construction academic leaders with their employees. One area of significance in this study lies in its contribution in complimenting previous literature with appropriate leadership styles in public higher education institutions. Followers' performance in an organization is influenced by transformational leaders through encouragement. Followers should be novel in their thinking about new approaches. These leaders should in turn inspire their followers to be as loyal as possible to the organization. Meanwhile, transformational leaders should recognize and appreciate the needs of each follower so that their personal potential is developed. Strong leadership in higher education is important in ensuring the successful performance of employees and the graduates' employability in the industry. Therefore, staff members of the Omani technical colleges, will be the main focus of this study. Additionally a preliminary study will be conducted on the Omani construction industry representatives, who employ graduates of these colleges to get insights about the research problem.

The present study proposes the training experience as a potential mediator. It is expected that training experience shall mediate the relationship between leadership styles and employee performance. This study is significant as it attempts to fill an existing gap in the literature with regard to the most appropriate leadership style, which should be practiced at technical colleges in Oman and its impact on employee performance in producing suitable graduates to the construction sector with the mediating variable of employee training experience. This study focuses on colleges of technology in the Sultanate of Oman. Guidelines inferred from the study can therefore be applied in other contexts. They can also be useful in directing scholars and academicians in the Sultanate of Oman to develop a more educated and skilled

Omani society. Data will be provided for the technical colleges' leaders to either change or enhance their practices of leadership.

One contribution, which is presented by this study, is related to the higher authorities of technical education. These institutions' policies should be accordingly enhanced and qualified leadership candidates' criteria should be reviewed. This study considers leaders' behaviors as an important factor, which affects construction employees' job performance and graduates' performance. Therefore, it provides guidelines and ideas for the leaders of colleges of technology in order to guide them towards considering appropriate leadership behaviors when dealing with their subordinates so as to encourage and lead them to have better performance. To the knowledge of the researcher, none of the available studies have investigated training experience in the industry as a mediator and its relationship with employee job performance, which influences the quality of the graduates in the Omani Colleges of Technology in particular. Therefore, this study encourages researchers to apply this relationship in different fields.

### 1.7 Scope of the Study

This research is limited in several ways. The study covers Colleges of Technology in Oman. These colleges are higher learning institutions in the public sector only. They are governed by the Omani Ministry of Manpower. This study focuses on CoT, which supply graduates for the construction industry such as architect designers, quantity surveyors, construction employers. This study is limited to academic employees in these colleges of technology in Oman. This study focuses

on the construction heads of the departments as leaders and their employees as followers. Attitudes and feedback from representatives of the construction industry sector in Oman will also be covered within the scope of this study.

### 1.8 Brief on Research methodology

The research methodology of this study is a mixed method approach. The researcher used a combination of quantitative and qualitative approaches. This methodology aims to increase the researcher's familiarity with an understanding of the CoTs employees' performance and graduates' performance in the Oman industry. For the quantitative approach, three questionnaires on leadership styles, employee training, and employee performance were distributed among construction employees at CoTs with 175 responses. The qualitative approach was used through conducting semi-structured interviews with 3 respondents. The interviewees were delegates from public and private sectors in the construction industry in Oman.

The researcher faced some limitations in her data collection, including restricted access to some government documents, the reluctance of some employees to release certain data, and the absence of bibliographical references on higher education and construction in the Gulf region. However, the researcher's previous experience in one of the colleges of technology helped in taking the research forward. The research data were analysed using Smart PLS 3.2.3 and SPSS, Version 22 for quantitative data of the questionnaire. Content analysis was used to analyse qualitative data of the preliminary study. Figure 1.1 illustrates the research methodology flow chart.

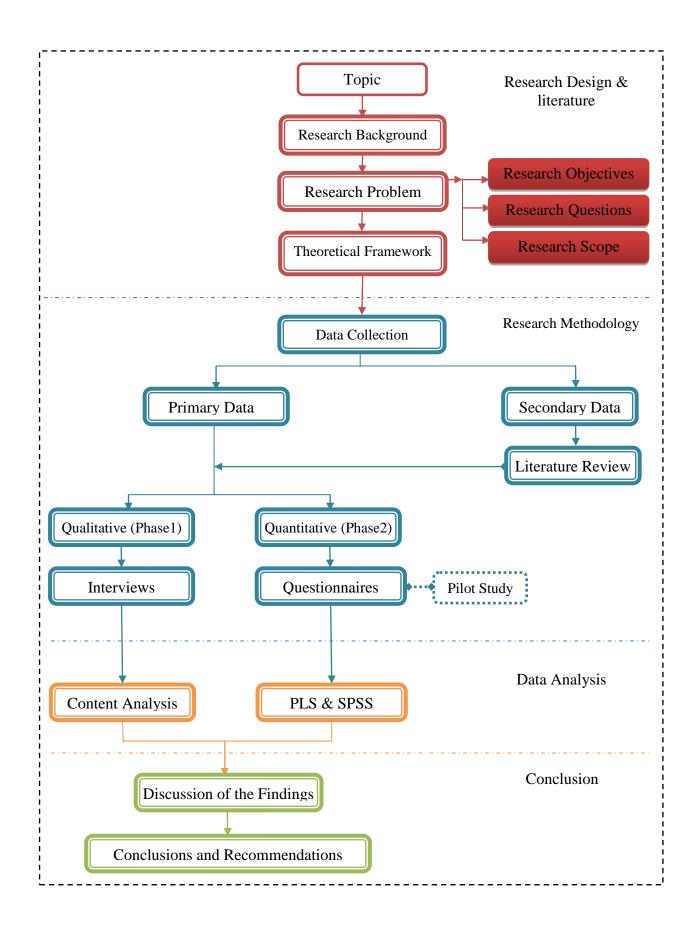


Figure 1.1 Research Methodology Flowchart

### 1.9 Organization of the Thesis

Seven chapters are included in this study. The chapters of this study are organized as follows. Chapter one introduces the background of the study. It presents and discusses the problem of the study, the research objectives and questions. It also discusses the significance of this study, as well as its scope.

Chapter two includes a comprehensive literature review on leadership, the evolution of the management theory, the classical model of leadership, leadership theories related to the research area, leadership styles, leadership and culture. Moreover, it reviews literature on the dependent variable, employee performance and the mediating variable, which is training experience. Furthermore, it reviews the previous related literature of similar topics and background followed by the research gap to ensure this research has not done before. The leadership theory, which is adopted in this study is explained. Finally, the conceptual framework and the study hypotheses are presented in this chapter.

Chapter three is about the construction industry and higher education in Oman. It starts by Sultanate of Oman location and geography, followed by the construction industry, and the growth of the construction industry in GCC and Oman. The chapter also discussing the background of the institutions of higher education in Oman (HEIs) including Omani Colleges of Technology (CoTs).

Chapter four discusses the research methodology. The chapter starts with the interview study (phase 1) of this research in order to establish the level of the work performance of fresh graduates of CoTs. Next, the chapter discusses the philosophical underpinning of the research paradigms to identify the appropriate research methodology and research design. The chapter discussing (phase 2) of the study by introducing the research variables. The population of the study, sample frame, and sample size are also presented in this chapter. Moreover, the chapter includes the questionnaire design, measurements and data analysis techniques. Validity, reliability, the measurement model, and the structural model are also presented in this chapter.

Chapter five discusses the analysis and findings of the research for both the qualitative and quantitative data. The relationship between variables (transformational, transactional, and laissez-faire styles, training experience, and employee performance) are presented and discussed.

Chapter six provides a discussion of the research findings. It includes answers to the proposed research questions, as well as the formulated hypotheses. The direct relations were presented, followed by the indirect relations of the mediation effect of training experience between (transformational, transactional, and laissez-faire) styles and employee job performance.

Finally, chapter seven provides a summary of the research, contribution of the study, limitation of the study, and puts forward recommendations for future research.

Chapter seven ends with a closing remarks.

### **CHAPTER TWO**

### LITERATURE REVIEW

### 2.1 Introduction

Related literature is reviewed in this chapter. First, the chapter discusses the independent variable, leadership, the evolution of management theory followed by the classical model of leadership and the adopted leadership theories. Next is the leadership styles. Leadership and culture are further discussed. Moreover, the chapter discusses the dependent variable which is employees' job performance. Furthermore, the chapter discusses the mediator variable which is training experience, types of training and the on-job-training which is provided by colleges of technology in collaboration with the construction industry for construction graduates. Related studies by other scholars and the research gap are also discussed so that both hypotheses and the study framework are formulated. Finally, the chapter ends with the summary of the chapter.

### 2.2 Leadership

In terms of organizational performance and development, leadership is one common field that transcends interdisciplinary fields of research (Boga & Ensari, 2009; Hashim, Ahmad & Ooi, 2008). Leadership is used in this research as an independent variable. The independent variable helps assess the impact, which is possible, on one or more other dependent variable (Fraenkel & Wallen, 2003). Therefore, the independent variable has either a positive or negative impact on the