

Styles of Leadership and Its Impact upon the Projects Success

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Abstract

The current study explores the role of leadership especially their styles among the project managers regarding the success of projects. The objective was to develop a theoretical framework from the literature in hand and then test the same in the contemporary environment. The literature survey was undertaken to state and elaborate the scope of the research topic. The present study was aimed at exploring and elaborating the styles of leadership and the demographics of the project managers in order to critically analyze the impact of the variables (Transformational, Transactional and Laissez-Faire leadership) on the project success. There were the personal attributes of the managers incorporated in this study such as gender, age, education. It was concluded that there is a prominent impact of leadership styles on the project success.

Keywords: Styles of Leadership (Transformational, Transactional and Laissez-Faire leadership), Success of the project, Demographics.

1. INTRODUCTION

The developmental projects, financed by certain donor agencies, are being launched with the prerequisite of a speculated timeframe. In the developing countries like Pakistan, the developmental and the infrastructural projects are most significantly pursued. Both of these types of project must be led and managed by vibrant leadership to establish, assure and sustain the staff efficiency (Pettersen, 1991). The investigation about the styles of the manager regarding his/her leadership is highlighted in the present research. "The professional characteristics of the managers working in the developmental projects are responsible to direct his/her subordinates to achieve the desired objectives". The results of the current study will be helpful for the organizational structures as it can bring up the level of competence among the leaders and their subordinates in the accomplishment of the projects (Cooke, 2001).

The new organizations tend to change in the direction of knowledge-based systems and members are seeking to extend their work scopes to establish autonomy. "Therefore, shared leadership as an intrinsic motivator can contribute to team creativity because it involves the mutual influence among team members" (Ammeter & Dukerich, 2002). The particular attributes of the leadership have the capability to add value to the project outcomes. "Appraising the leadership performance and taking the prior corrective action is a critical factor in determining the probability of the project success. In the formation of project teams and a critical factor of project success, the leadership is an important concern" (Belout & Gauvreau, 2004). Besides the technical and management skills, leadership should also focus on the professional training and development programs. For successful implementation, the leadership hence uses the social networks and suggests a new model for team creativity (Turner & Muller, 2005).

For the unfavorable results, there are various reasons for which the leadership is not responsible. Though, it is prominent that the concept of failure of the projects is vague in many respects. Therefore, about the failure of the projects, it is beyond the scope to furnish a unitary classification (Curran, Niedergassel, Picker & Leker, 2009). "The literature suggests that there are some mutual features which are strongly associated to the failure of the projects". The project, if not accomplished according to the standards and the speculative timeframe, can be supposed as failed project (Yang, Huang & Wu, 2011). "The factors like social, environmental, legal, political, misfortunes and restrictions contribute to the early finishing of the project". Likewise, the physically sick employees and the other internal crises could worsen the situation which eventually weakens the relationship between the employer and the employee (Nixon, Harrington & Parker, 2012). In this regard, there are other such occurrences of internal pressures which may hamper the institutional success. The purpose of current study was to explore the significance of leadership styles of the project managers. Moreover, one of the prominent parts of study was the investigation of demographic diversity among the managers.

2. THE STYLES OF LEADERSHIP

Every manager/leader has a unique style of leadership; some are more open and participative while others are very assertive. There are a number of leadership styles like transactional, transformational, authoritarian,

democratic, participative and laissez-faire (Belout & Gauvreau, 2004). “There are four main characteristics of a good leader, which includes inspiration, entrepreneurship, creativity and a shared sense of commitment. Good leadership requires that the goals be achieved in a timely manner so that the business can grow in the marketplace”. It can be argued that good management is not possible without good leadership (Hyvari, 2006). Good management requires good goal setting and then leading subordinates to achieve the organizational goals. The leadership styles are not fixed and may depend on the situations (Yang et al., 2011). The research report in this study investigates the relationships between project managers and project team in the Pakistani business context. The research focuses on the leadership styles and behaviors of these managers. Therefore, it is useful to recognize that there are differences between good leadership and good management (Ahmed, Azmi, Masood, Tahir & Ahmad, 2013).

2.1 Transformational Leadership

This leadership style produces satisfaction and trust. Functioning for a transformational leader can be a wonderful and uplifting experience. The transformational leaders influence their subordinates by motivating them emotionally (Ammeter & Dukerich, 2002). “They seek to empower their subordinates by developing their independence and by building their confidence. Transformational leaders put passion and energy into everything. They care about their subordinates and want them to succeed” (Spreitzer, 2003). “Transformational leadership has seven main features: raise subordinate awareness, help subordinates look self-interest, help subordinates find out for self-fulfillment, help subordinates understand need for change, invests managers with sense of urgency, is committed to greatness and adopts a long-range, broad perspective” (Turner & Muller, 2005). This leadership style has five dimensions:

Idealized attributes: these leaders are taking action in a manner that incorporates respect of others for them and they go beyond one’s personal interest for the group prospects. *Idealized behavior*: these leaders prefer to discuss important beliefs and values and they take into account the ethical and moral results of decisions. *Inspirational motivation*: these leaders support staff to envision attractive future states and they always motivate their staff to achieve the organizational goals. *Intellectual stimulation*: these leaders like to encourage new ideas, and creative solutions to problems are solicited from followers” (Yang et al., 2011). “The leaders encourage their staff to be innovative and creative by approaching old situations in new ways. *Individual consideration*: these leaders stimulate their staff for achievement and growth by acting as a coach and also help their staff to develop their strengths” (Nixon et al., 2012).

2.2 Transactional Leadership

This style of leadership prefers exchange relationship systems with employees especially when goals are not met. The transactional leaders use a process of motivating subordinates by appealing to their self-interest (Yang et al., 2011). “The employees’ bargaining position is eroded, while that of the managers is correspondingly strengthened”. This leadership style has three dimensions including: *Contingent reward*: these leaders provide others with assistance in exchange for their effort and they clarify expectations and offer recognition when goals are achieved. *Management by exception*: these leaders specify the standard for compliance and may punish staff for not being compliant with standards” (Nixon et al., 2012). *Management by exception*: these leaders avoid specifying agreement, and fail to provide goals and standards to be achieved by staff. Sometimes, a leader waits for things to go wrong before taking action.

2.3 Laissez-Faire Leadership

This style of leadership allows the group to develop on its own decisions, as the leader has no real authority. Precisely, the leader answers questions, provides information or gives reinforcement to the group (Turner & Muller, 2005). Additionally, the leader evaluates and criticizes very little and is therefore not threatening. “The leader allows the members to make their own decisions. The leader always avoids making decisions and delays responding to urgent questions”. This style develops a good relationship between the leaders and the subordinates (Anantatmula, 2010). The leaders can control subordinates easily and can also use good governance over the subordinates. The subordinates of laissez-faire leaders have to seek other sources to support them in making final decisions. “This leadership style contributed to the researcher’s investigation of the leadership styles of project-oriented organizational managers using survey questionnaire, because laissez-faire leadership is part of this instrument” (Nixon et al., 2012).

3. SUCCESS OF THE PROJECTS

The research has been discussed in the academic literature widely about the project management is how projects’ success should be examined. Furthermore, some research scholars cite evidence in support of the requirement to have a marked difference between project management success and project success. “The overall project

objectives ascertain the success of the project but latter, is assessed on the traditional and widespread parameters of performance such as quality, time and cost” (Cooke, 2001). “In addition, some research scholars exchange conflicting views that there is a marked difference between the criteria of the project success, on which the project failure or success will be assessed and factors of the success where the success of the project is led indirectly or directly by the inputs to the management system is researched” (Kloppenborg, Shriberg & Venkatraman, 2003). According to Belout & Gauvreau (2004) the research concerning projects’ crucial success factors is currently in developing and no common project success denominators has been explained absolutely.

The iron-triangle which comprised of quality, cost and time was the criteria of former project successes. However, these valuations are important, but they do not deal with the overall factors required to assess the modern projects’ success criteria (Turner & Muller, 2005). “The assessments are open to different interpretations and the success on the factors is not always in connection with the project success, furthermore, important aspects, for instance, stakeholders (internal and external), are not taken into consideration”. One can make the success description both internally, in relations to the successful completion of the project before the planned finish date and externally in terms the concentration is on the public, stakeholders or consumer which adopts the approach of user satisfaction (Geoghegan & Dulewicz, 2008).

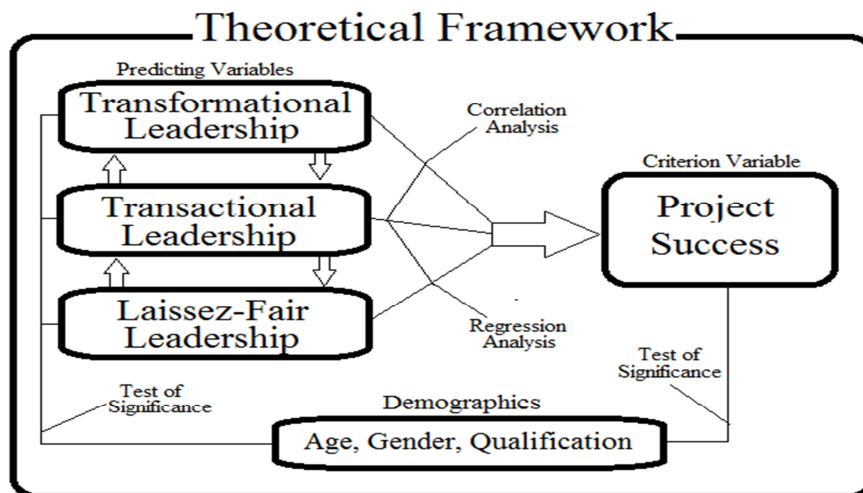
According to Curran (2009) at the project evaluation time, one must take the overall objectives of the project in to consideration, with a marked difference between the product’s success and the project’s outcome. “Since the project outcome will make it possible to take external factors in to consideration more extensively, for instance, use of the product, client or user satisfaction and advantages to clients/consumer” (Yang et al., 2011). The related literature revealed that the two main subjects are involved in the assessment of the success, the project and the client. “Therefore, the success art, keeping in mind the external stakeholders, is to appropriately utilize the assigned resources, use of the allocated budget wisely and achievement of the strategic goals within due date, since all of these factors are always dependent on each other, and brings a complicated reality into existence for the leader of the project” (Nixon et al., 2012). The external stakeholders will have various subject-related success measures, relying on the specific operational area and crucial factors for the certain commercial business (Ahmed et al., 2013).

4. DEMOGRAPHIC IMPLICATIONS

The characteristics of the manager/leader include those such as gender, age, educational level and the institution. Kloppenborg (2003) exposes that gender has only a small effect on transformational and transactional leadership behavior, but the interaction of gender and education produced consistent differences in employees’ assessments of leadership behaviors. Belout & Gauvreau (2004) exposes that women are increasingly praised for having excellent leadership skills. “Though, more people prefer male than female bosses and it is more difficult for women than men to become leaders and to succeed in male-dominated leadership environments”. Geoghegan & Dulewicz (2008) reports that demographic variables such as gender and age have a significant effect on institutional employees’ assessments of their institutions and on subordinates’ perceptions of the leadership style.

Curran (2009) finds that men are more likely to adopt an authoritarian style while women tend to adopt a transformational style, relying heavily on interpersonal skills. Furthermore, men tend to manage by punishment while women manage by rewards and usually care for the feelings of people. “Anantatmula (2010) reveal that females are more likely than males to be transformational leaders. Females had a higher perceived effectiveness in three management skills: coaching and developing and communicating. Female receive more developmental opportunities than male counterparts”. Nixon (2012) finds that transformational leadership has been identified as one leadership style which data suggests is indicative of success for women leaders and managers in institutions. Leaders who demonstrated a transformational leadership style tended to motivate their subordinates to work hard within their organizations. This style of leadership was therefore beneficial within the institutions.

Figure 1.1 Theoretical Framework



5. DISCUSSIONS

The available literature explored the difference between the project success and the leadership. The manager cannot become a strong leader until the management side of the operation is running smoothly. According to Ammeter & Dukerich (2002) you can be an excellent manager without becoming a good manager, but you cannot be an excellent leader without becoming a good manager. For example, Kloppenborg (2003) point out that leaders are people who do the right thing, but managers are people who do the thing right. Both roles are crucial, but they differ profoundly. "The literature suggests that a person can be both a good leader and good manager but that good managers are not necessarily also good leaders if they do not display the leadership qualities of communicating vision/ideas to their subordinates". According to Turner & Muller (2005) there are eleven qualities, which are possessed by excellent managers. "There are command of basic facts, relevant professional knowledge, continuing sensitivity to events, problem-solving and decision, social skills, emotional resilience, pro-activity, creativity, mental agility, balanced learning habits and self- knowledge" (Hyvari, 2006). Likewise, good management provides not only the foundation for good leadership but also the time management to lead.

"The good leadership is a source to balance the vision, strategy and outcomes. The leadership engages escorting, guiding, leading, steering, conducting, tracing and administering others". The organizational strategic goals must be known by the managers and their subordinates. Geoghegan & Dulewicz (2008) state that the managers are people who do the thing right but the leaders is people who do the right thing. "Though, scholars and practitioners have challenged this meaning saying that leadership involves roles and activities that should be shared among members of the project team or organization" (Curran et al., 2009). In the existing project management literature, the managers' leadership role in contributing the success of the projects is still much debatable. Hypothetically the effective leadership is critical to the success of the projects.

"The specific styles of leadership have demonstrated by evidence to be effective in continuous environments of work, more normal, though, it is not visible how these styles of leadership could be effective in work accomplished in teams of project". For instance, academic research has presented that the constructive impacts of the style of Transformational leadership, by which the leader concentrates on the establishment of the relationship with the subordinates (Yang, 2011) has been difficult to demonstrate by evidence in the settings of the projects. "However, some styles of leadership have demonstrated by evidence to be more effective than others in certain teams of the project, this area of study have often been not leading to a firm conclusion" (Nixon et al., 2012). In contrast, other research studies have presented that project managers frequently adopt people as a focal point (Ahmed, 2013) or the style of leadership of relationship-oriented which have common to a great extent with the approach of Transformational leadership.

6. CONCLUSIONS

The work accomplishment concept specifically in the context of short-term projects has been a much popular research topic during the last decade. The area of leadership in relation to the project management has not been extensively marked in this specific research field. Academics have put forwarded for consideration that project managers capabilities are related to the success of the projects, that certain styles of leadership are suitable for

multi-cultural teams of project and that project managers prefer task-related styles of leadership over people-related leaders, but these influential factors have not been extensively researched in the literature. The researchers who have evaluated the significance of the style of leadership as a crucial project success factor in recent years feel sure that project managers' style of leadership will have an impact on the project team's outcomes. There were three major objectives which were addressed by the current review. Firstly, to explore the managers' influential leadership styles including Transformational, Transactional and Laissez-Faire. Secondly, to enquire the differences in demographic characteristics of the managers found in relation to the styles of leadership. Finally, to get a detailed examination of variation that could be defined in criterion variable (projects success) in connection to the predicting variables (Transformational, Transactional and Laissez-Faire Styles of leadership). The is concluded from the present study that the Leadership was found as the influential leadership style among the managers that combines both the features of Transformational and Transactional Leadership. In second place, the style of Transactional Leadership was found the most influential styles of leadership among these managers.

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