

An Overview Of The Influence of Transformational Leadership on Innovation Adoption Among Malaysian Construction Companies

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Abstract

This paper is an overview on the influence of transformational leadership towards innovation adoption among Malaysian construction companies. The Malaysian government has always been pushing for innovation adoption among construction companies but this effort has always been hampered by the lack of support from industry players due to various reasons. The review of literature has identified that leadership within the organization plays an important part in innovation adoption to be successful. The research used a quantitative method for its methodology through a structured questionnaire survey as its instrument. Malaysian Grade G7 construction firms were the respondents. Findings from the survey found variables such as transformational leadership, perceived use, ease of use, satisfaction, and continual improvement had a strong influence on adoption intention for these construction companies.

Keywords: *Transformational Leadership; Innovation adoption; Malaysian construction companies*

INTRODUCTION

In Malaysia, the construction industry plays a major role in contributing to the nation's growth and social development. At the end of 2015, the Malaysian government came up with a revised version of the CIMP and rebranded it the Construction Industry Transformational Programme (CITP) 2016 – 2020. Inside the second master plan also contained the nation's agenda to continue improving quality practice and innovation adoption. Based on this national agenda, it provided the researcher a strong purpose and research agenda for the study.

Firstly, the Malaysian construction sector has been encouraged to solve the quality problems through the adoption of innovative processes and products. The construction firms initially were merely encouraged to implement the ISO 9001:2000. CIDB resorted to downgrading the construction firms' registration grade if they do not obtain the ISO certification. A downgrade means that the affected companies could not tender for construction projects with monetary value category associated with the former higher-grade status. As a result, the number of construction firms that have obtained the ISO certification had increased (Mohammed & Asmoni, 2006).

Malaysian regulatory bodies in the construction industry frequently use compulsion to get various stakeholders to adopt new practices that are perceived to improve the industry. This is done through regulations and legislation on the professional registration, business registration, continued work operations or eligibility etc. of these parties. Examples of such regulations are the compulsory