The association among project manager’s leadership style, teamwork and project success

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Abstract

This study aims to examine whether the impact of teamwork on project performance was moderated by the following data class variables: industry sector, total installed cost, owner regulation, initial site, team size, complexity, project type, and international involvement. Additionally, this study also investigated the relationships among the project manager’s leadership style, teamwork, and project success. To address the primary aims, a questionnaire-based survey was used to measure the project manager’s leadership style, teamwork, and project success in terms of schedule performance, cost performance, quality performance, and stakeholder satisfaction. The analyses suggest that increases in levels of leadership may enhance relationships among team members. The results also indicate that teamwork exhibits statistically significant influence on project performance. Finally, the findings suggest that project type has a moderating effect on the relationship between teamwork dimensions and overall project success.

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1. Introduction

In order to respond rapidly to market needs and increase profits, the best companies are constantly searching for proven practices that offer a competitive advantage. These companies generally avoid practices that do not provide some proven added value. Several studies have shown that the role of a project manager is critical to project success. However, the literature on project success factors has largely ignored the impact of a project manager and his or her leadership style on project success (Turner and Muller, 2005). Even though some practices have been adopted and others abandoned, however, no empirical study has been done on the associations between project leadership style and teamwork. In addition, there has been no comprehensive industry-wide study on the impact of teamwork on project outcomes. This lack of information regarding leadership benefits along with uncertain competitive advantage from teamwork has resulted in a manager’s reluctance to adopt different leadership styles.

Some project managers develop a particular leadership style in an attempt to achieve the goals of a project. These project managers are also examining teamwork for ways to improve project success. However, since the benefits of leadership behaviors can be rather intangible, this has slowed or prevented the implementation of leadership theories. Accordingly, the impact of leadership behaviors on project performance has been one of the major issues for both industry and academic fields (Keller, 1992; Kendra and Taplin, 2004; Turner and Muller, 2005). In order to understand the benefits, there is a need for quantification of the benefits derived from leadership behaviors. Research on leadership behaviors and theirs associations with project performance should offer tangible evidence of advantages from adopting a certain leadership style. Although researchers in a number of disciplines outside of construction have suggested that leadership style is becoming increasingly critical to project success, there is limited research in the construction context (Giritli and Civan, 2008; Sunindijo et al., 2007; Ozorovskaja et al., 2007; Chinowsky...
et al., 2007). There is a need for more comprehensive empirical evidence that evaluates the benefits associated with the project manager’s leadership style and, more specifically, its associations with teamwork and project performance.

This study attempts to fill this void of empirical evidence by identifying the associations between leadership style, teamwork, and project success. The purpose of this research is three-fold. The first objective of this study was to investigate the effect of the project manager’s leadership style on teamwork. The second objective was to assess the impact of teamwork on project success. The third objective was to examine the moderating role of project type in the relationship between teamwork and project performance. Moderating variable is a second independent variable that is included because it is believed to have a significant contributory or contingent effect on the originally stated independent variable–dependent variable relationship (Cooper and Schindler, 2008). The research attempts to determine whether project type would moderate the relationship between teamwork and project success. In other words, the analysis shows the relationship between teamwork and project success for different types of projects. Additionally, the analyses of the project manager’s leadership style and relationships with teamwork and project performance are based on an industry-wide survey performed between May and August 2008. A data collection tool was developed to assess the project manager’s leadership style, teamwork, and the performance of projects in the Taiwanese construction industry.

2. Literature review and research hypotheses

The development of leadership results in various definitions. DuBrin (2004) stated that leadership is the accomplishment of goals through communication towards others. Leadership is dynamic, which is the ability to influence groups for purposes of goal accomplishment (Koontz and Weirich, 1990). Concerning the factors which may influence leadership, Goleman (2004) claimed that emotional intelligence may be the key attribute that distinguishes outstanding performers from those who are merely adequate. Five components associated with emotional intelligence were found in this study: self-awareness, self-regulation, motivation, empathy, and social skill. Ivanchevich et al. (1977) distinguished the specialties of leaders with six categories: physiological characteristics, social background, intelligence, personality related to work, and social interpersonal. Stogdill (1948) categorized the leader’s specialty into five categories: ability, achievement, responsibility, participation, and position. Davis (1972) identified four kinds of personalities related to succeeding in leadership: social maturity and breadth, inner motivation and achievement drive, intelligence and human relations, and attitudes. Fiedler (1967) believed that effective leaders should cooperate with situational factor. Fiedler (1974) proposed three kinds of situation parameters in relation to leadership styles. Additionally, Hersey and Blanchard (1972) proposed life cycle theory of leadership and then developed contingency leadership. They argued that leadership style should depend on different maturity phases of a relationship. Above prior studies indicated that empathy plays an important role in leadership. Salovey and Mayer (1990) defined empathy as the ability to comprehend another’s feelings and re-experience them. They found that empathy may be a central characteristic to emotionally intelligent behavior. Kellett et al. (2002) stated that empathy is an important predictor of leadership emergence. The study concluded that perception of leadership skill is impacted by leader emotional ability through empathy. In summary, leaders are affected by their mental abilities, emotional abilities, and ability to perform complex tasks. Additionally, leadership style should depend on circumstances.

A considerable body of research conducted on leadership stresses the importance of leadership style. Six schools of leadership have evolved over the past several decades. The visionary school discovered two types of leadership, transactional and transformational leadership. Bass and Avolio (1990) identified different components of the two types of leadership. However, transactional leadership is often contrasted with transformational leadership. Transactional leadership emphasizes contingent rewards. The transactional leader rewards subordinates for meeting performance objectives. As such, the transactional leadership style presents traditional views on leadership, which focuses on the contractual agreement between the leader and the subordinate on expected performance in return for certain rewards (Thite, 2001). Furthermore, the leader–follower relationship is reduced to the simple exchange of a certain quality of work for an adequate price (Wang et al., 2005). The leaders take action when assignments are not proceeding as planned. Previous research indicated that the cost–benefit exchange process would only result in ordinary outcomes.

Unlike the transactional leaders who indicate how current needs of subordinates can be satisfied, transformational leaders show charisma and create pride, respect, trust, and a vision. Transformational leadership provides inspiration and intellectual stimulation, motivates followers by creating high expectations and modeling appropriate behaviors, and challenges follows with new ideas and approaches (Bass, 1990). Transformational leaders pay attention to the concerns of individual team members. Bass (1985) contended that today’s environment requires that subordinates perform beyond ordinary expectations and that is deliverable by transformational leadership. Leaders with a transformational style are seen as more effective by subordinates and superiors (Fiol et al., 1999; Lowe et al., 1996). Keller (1992) found that transformational leadership may be a predictor of project performance. Keegan and Den Hartog (2004) forecasted that transformational leadership would be more suitable for project managers but found no significant link. Furthermore, some research investigated the interaction of the project manager’s leadership style with project type. Muller and Turner (2007) concluded that different leadership styles are appropriate for different types of projects. Higgs and Dulewicz (2004) found a preference for transformational leadership style on complex change projects and a preference for transactional leadership style on simple projects. Additionally, Frame (1987) and Turner (1999) suggested that different leadership styles are appropriate at different phases of the project life cycle. In summary, the literature suggested that transactional and transformational leadership styles may be effective styles for project managers.