

Effect of Project Manager Leadership Style on Project Success in County governments, Kenya

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Abstract

The main purpose of the study was to determine the effect of project managers' transformational and transactional leadership on Project Success in County governments. The study adopted explanatory research design. The target population of the study was 57 project managers in county governments of north rift Kenya. The primary data for the study was obtained using questionnaires. Data was analyzed using Pearson correlation coefficient and multiple regression analysis. The findings showed that transformational leadership ($\beta_1 = 0.361$, $P < 0.05$) and transactional leadership ($\beta_2 = 0.457$, $p < 0.05$) had significant effect on project success. This implies that it is important for supervisors to understand the project managers' situation and give them encouragement and assistance. Additionally, project managers need to be encouraged to take up the challenges and think about problems from a new perspective. There is therefore need for supervisors to ensure that the rewards offered to project managers capture their attention so that it can provide effective motivation to work towards attaining project success.

Keywords: Project Managers, Transformational Leadership, Transactional Leadership, Project Success, County Government

Introduction

Performance of a project is considered as a source of concern to both public and private sector clients. Kumaraswamy (2002) remarked that project performance measurements include time, budget, safety, quality and overall client satisfaction. Thomas (2002) defined performance measurement as monitoring and controlling of projects accordingly on a regular basis. Kuprenas (2003) stated that project performance measurement means an improvement of cost, schedule, and quality for design and construction stages. Long *et al.*, (2004) stated that a project performance measurement is related to many indicators such as time, budget, quality, specifications and stakeholders' satisfaction.

The failure or success of any project is mainly related to the problems and failure of the project manager. Moreover, many reasons and factors attribute to such problems. In US, Long *et al* (2004) remarked that performance problems arise in large projects due to many reasons such as project managers' incompetent, leadership style and change management, social and technological issues, site related issues and improper techniques and tools. Lehtonen (2001) obtained a model for performance measurement that assist both firms' top management and operational managers for continuous feedback on operational activities.

The new organizations in European countries 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 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 in Russia, the leadership is an important concern (Belout & Gauvreau, 2004).

In China, literature suggests that there are some leadership styles which are strongly associated to the failure of the projects (Yang, Huang & Wu, 2011). Likewise, the relationship between employee and project leaders determine the outcome of a project (Nixon, Harrington & Parker, 2012). In Pakistan, Pheng and Chuan (2006) indicated that project managers' factors played an important role in determining the performance of a project. 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).

In Nigeria, Chan and Kumaraswamy (2002) remarked that effective communication and fast information transfer between managers and participants help to accelerate the building construction process and performance.. In addition, in East Africa countries such as Kenya, the factors affecting cost performance are: project manager's competence; top management support; project manager's coordinating and leadership skill; monitoring and feedback by the participants; decision making; coordination among project participants; owners' competence; social condition, economical condition and climatic condition. Coordination among project participants was as the most significant of all the factors having maximum influence on cost performance of projects (Iyer and Jha, 2005).

Transformational Leadership 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).

Transactional 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.

Laissez-Faire 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).

Studies have shown that the most projects fail in Africa compared to those of developed countries. County government performance deemed the vehicle for the execution of countries economic growth (Peter, 2005). In order to achieve set objectives, specific there need to be engance good leadership (Mensah, 2013). However, despite this county progress in Kenya, a few challenges in the projects are emerging and slowing the transition process. The county has been facing serious challenges in implementing their strategies and outing in the conditions required for the success of these strategies due to resistance from the community and other stakeholders. Some of the challenges facing the county include inadequate personnel with the required project management skills, inadequate financial resources, inefficient project planning, and the un-involvement of the various project stakeholders among others. However, in maintenance project, Gwayo et al. (2014) noted, there is a growing concern regarding the reasons why the requisite objectives are not achieved as per the projects’ client’s expectation. Muchung’u (2012) lamented that, some projects takes as many as 3 years before they are completed; a scenario that is usually accompanied by huge cost overruns. The foregoing has resulted in evitable cost overruns, time overrun, idling resources, and also inconveniences to the targeted beneficiaries of such projects (Kikwasi, 2012). This is so due to the fact that, incomplete and/or unsuccessfully completed construction projects effect service delivery. Projects which have stalled or are unsuccessfully completed will negatively affect beneficiaries.

Jiang (2014) leadership was rarely considered by the critical success factors of the project Turner and Muller (2005) contemplated that probably the project manager’s neglect himself or herself or leadership is not covered in research. Previous studies have addressed factors affecting performance project, however this studies have given little attention to leadership styles and performance of project in Kenya giving a dearth gap in the existing literature, this study will address the above gap by addressing effect of transactional Leadership and transformation leadership on project performance. This research therefore seek to look into is project managers leadership styles leaders to failure or success of projects within the county.

- i. *There is no significant effect of transformation leadership on project success*
- ii. *There is no significant effect of transactional leadership on project success*

Related Literature

Transformational Leaders play a very important factor in the effective functioning of virtual teams and pay attention to work environments and organizational climate. They also coordinate project tasks and facilitate the group process to achieve teams’ goals thus ensuring success of these projects (Kayworth & Leidner, 2002). Turner & Muller, (2005) reported that the project leadership style is a key success factor to project team performance

Tasa, Taggar and Seijts (2007) indicated that the project leadership style especially transformational leadership style is a key success factor to project team performance. Although research on transformational leadership has consistently noted that there is an underlying process through which transformational leaders exhibit their influences on their followers development and ultimately facilitate team performance (Wang & Howell, 2012), surprisingly relatively little research has explored this topic especially in project team settings. Among the process variables associated with the transformational leadership process, trust has been acknowledged as one important factor that can mediate the effect of the transformational leadership on group outcomes (Zhu, Newman, Miao, & Hooke, 2013). Another group process variable that may emerge in the transformational leadership process is collective efficacy (Zhang, Tsui, & Wang, 2011).

Transactional Leadership and project success

Liu et al. (2011) looked at the relationship between transactional leadership and team implementation of project. The authors focused on the potential moderating role of emotional labor and examined a mediating role for team efficacy. The authors intended to contribute to the leadership field by closing an identified gap in the literature with the introduction of emotional labor and team efficacy as important factors in the existing relationship between transactional leadership and implementation of project. The authors predicted a significant negative relationship between transactional leadership and implementation of project. The article included an overview discussion of implementation of project, transactional leadership, emotional labor, and team efficacy.

Liu et al. (2011) discussed several implications of their findings. Emotional labor acts as a boundary condition on the relationship between transactional leadership and implementation of project. This knowledge helps deepen the understanding of the context in which transactional leadership leads to organizational effectiveness and implementation of project.

Theoretical framework

Situational leadership theory proposes that effective leadership requires a rational understanding of the situation and an appropriate response, rather than a charismatic leader with a large group of dedicated followers (Graeff, 1997; Grint, 2011). Situational leadership in general and Situational Leadership Theory (SLT) in particular evolved from a task-oriented versus people-oriented leadership continuum (Bass, 2008; Conger, 2010; Graeff, 1997; Lorsch, 2010). The continuum represented the extent that the leader focuses on the required tasks or focuses on their relations with their followers.

Both conceptualizations of SLT admit that task-oriented and relation-oriented behaviors are dependent, rather than mutually exclusive approaches. The effective leader engages in a mix of task and relation behaviors (Cubero, 2007; Graeff, 1997; Shin et al., 2011; Yukl, 2008; 2011; Yukl&Mahsud, 2010). The level of maturity (both job and psychological maturity) of followers determines the correct leadership style and relates to previous education and training interventions (Bass, 2008; Hersey & Blanchard, 1969). Some scholars criticize SLT specifically and situational leadership in general.

Material and Methods

The study adopted explanatory research design. The target population of the study was 57 project managers in county governments of north rift Kenya (county records, 2013). The primary data for the study was obtained using questionnaires. Data was analyzed using Pearson correlation coefficient and multiple regression analysis. However, since the data is in categorical form, for the study to use regression model, data was converted into interval data. Multiple regression analysis was carried out to analyze the relationship between one dependent variable to several independent variables

Findings and Discussion

Study findings present the results on transformational, transactional leadership and project success. The findings on transformational leadership revealed that the supervisors can understand the respondents' situation and gives them encouragement and assistance (mean=3.54, SD= 1.155). Supervisors encouraged project managers to take challenges (mean = 3.47, SD = 0.964), make efforts (mean = 3.53, SD = 0.794) and think about problems from a new perspective (mean = 4.01, SD = 2.186). Moreover, the supervisors encouraged the respondents' to rethink opinions that have never been doubted in the past (mean= 3.65, SD= 1.126) and believe they can complete their work under the leadership of the supervisor (mean=3.61, SD= 1.042). Also, the supervisors spend time to understand their needs (mean = 3.54, SD = 0.805). As such, the respondents believe the supervisor can overcome any challenge at work (mean= 3.52, SD = 0.786).

The results on transactional leadership revealed that the respondents are reprimanded in case they are unable to complete their work (mean = 3.54, SD = 0.805). Besides, supervisor precisely records any of their mistakes (mean = 3.47, SD = 0.964) and give them what they want to exchange for their hard work (mean = 3.53, SD =

0.794). Moreover, the supervisors tell them that they can get special rewards when they show good work performance (mean = 4.01, SD = 2.186).

Additionally, the results on project success revealed that most of the projects are completed within the stipulated time (mean = 3.86, SD= 0.94).It is also possible to minimize cost (mean = 3.88,SD = 0.97).Moreover, the projects are achieving the expected targets (mean =3.68,SD =0.88).Besides, most of the projects initiated are of good quality (mean =4.29,SD =0.94).As well, there has been improvement in service delivery in the community (mean =4.09,SD =0.78).

Finally, factor analysis for data use was conducted to ensure that all of the constructs used are valid and reliable before proceeding for further analysis. The study requested that all loading less than 0.5 be suppressed in the output, hence providing blank spaces for many of the loadings.All the factors were more than 0.5 hence were retained for further data analysis.

Table 1 Transformational leadership on project success

		Mean	Std. Deviation	Loading
Transformational Leadership	The supervisor can understand my situation and gives me encouragement and assistance.	3.54	1.155	0.695
	The supervisor encourages me to take challenges.	3.47	0.964	0.787
	The supervisor encourages me to make efforts towards fulfilling the company vision	3.53	0.794	0.842
	The supervisor encourages me to think about problems from a new perspective.	4.01	2.186	0.665
	The supervisor encourages me to rethink opinions that have never been doubted in the past.	3.65	1.126	0.769
	I believe I can complete my work under the leadership of the supervisor.	3.61	1.042	0.809
	The supervisor spends time to understand my needs	3.54	0.805	0.939
	I believe the supervisor can overcome any challenge at work.	3.52	0.786	0.755
Transactional Leadership	When I am unable to complete my work, the supervisor reprimands me.	3.54	1.155	0.845
	The supervisor precisely records any of my mistakes.	3.47	0.964	0.713
	The supervisor gives me what I want to exchange for my hard work.	3.53	0.794	0.655
	The supervisor tells me that I can get special rewards when I show good work performance	4.01	2.186	0.648
project success	Most of our project are completed with the given timeline	3.86	0.94	0.764
	We are able to minimize cost	3.88	0.97	0.784
	Our project are achieving the expected targets	3.68	0.88	0.79
	Most of the project initiated are of good quality	4.29	0.94	0.808
	There has been improvement in services delivery in the community.	4.09	0.78	0.674

Correlation Results

The study used Pearson Product Moment correlation analysis to assess the nature of the relationship between the independent variables and the dependent variable as well as the relationships among the independent variables (Wong & Hiew, 2005; Jahangir & Begum 2008). Wong and Hiew (2005) further posit that the correlation coefficient value (r) ranging from 0.10 to 0.29 is considered weak; from 0.30 to 0.49 is considered medium, and from 0.50 to 1.0 is considered strong. There was a strong relationship between transformational leadership with project success ($r = 0.683$, p -value $< .01$). Also, the study exhibited a strong relationship between transactional leadership and project success ($r = 0.712$, p -value $< .01$) (See table 4.2).

Table 2 Correlation Results

	Mean	Std. Deviation	project success	Transformational Leadership	Transactional Leadership
Project success	3.7872	0.79811	1		
Transformational Leadership	3.5638	1.20914	.683**	1	
Transactional Leadership	4.0709	0.58125	.712**	.704**	1

** Correlation is significant at the 0.01 level (2-tailed).

Hypothesis Testing

The findings showed that transformational leadership had coefficients of estimate which was significant basing on $\beta_1 = 0.361$ (p -value = 0.013 which is less than $\alpha = 0.05$) implying that we reject the null hypothesis stating that there is no significant relationship between transformational leadership and project success. This indicates that for each unit increase in transformational leadership, there is 0.361 units increase in project success. Furthermore, the effect of transformational leadership was stated by the t-test value = 2.603 which implies that the standard error associated with the parameter is less than the effect of the parameter. Consistently, Kayworth & Leidner, (2002) posit that transformational leaders coordinate project tasks and facilitate the group process to achieve teams' goals thus ensuring success of these projects (Kayworth & Leidner, 2002). In a similar vein, Tasa, Taggar and Seijts, (2007) indicated that the project leadership style especially transformational leadership style is a key success factor to project team performance.

Also, findings showed that transactional leadership had coefficients of estimate which was significant basing on $\beta_2 = 0.457$ (p -value = 0.002 which was less than $\alpha = 0.05$) hence the null hypothesis was rejected. This indicated that for each unit increase in transactional leadership, there was 0.457 units increase in project success. Furthermore, the effect of transactional leadership was stated by the t-test value = 3.294 which implied that the standard error associated with the parameter was less than the effect of the parameter. Contrary to the results, Liu et al. (2011) elucidate that transactional leadership has a negative relationship with the implementation of the project.

Besides, the results showed that all the two predictors (transformational and transactional leadership) explained 57.2 percent variation of project success. This showed that considering the two study independent variables, there is a probability of predicting project success by 57.2% (R squared = 0.572).

Table 3. Multiple Regression Results

	Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics		
	B	Std. Error	Beta	t	Sig.	Tolerance	VIF
(Constant)	0.381	0.598		0.637	0.527		
Transformational Leadership	0.238	0.092	0.361	2.603	0.013	0.504	1.983
Transactional Leadership	0.628	0.191	0.457	3.294	0.002	0.504	1.983
R Square	0.572						
Adjusted R Square	0.553						
F	29.43						
Sig.	.000						
Durbin-Watson	1.79						

a Dependent Variable: project success

Conclusion and Recommendations

The study revealed that transformational leadership has a positive and significant effect on project success. This implies that it is important for supervisors to understand the project managers situation and give them encouragement and assistance. Additionally, project managers need to be encouraged to take challenges and think about problems from a new perspective.

The results on transactional leadership revealed that it has a positive and significant effect on the project success. Particularly, project managers are made aware of what they are supposed to do if they want to be rewarded for their efforts. There is therefore need for supervisors to ensure that the rewards offered to project managers capture their attention so that it can provide effective motivation to work towards attaining project success.

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