

# Leadership Styles of Construction Project Leaders—A theoretical Perspective

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**Abstract**—This study presents a review of literature relating to leadership styles in the construction industry, with the specific aim of identifying the best suited leadership style in the construction industry. The research objective was necessitated because of the vital role of leadership in achieving organizational goals and the promotion of individual professional's achievement. To this end, leadership has been widely covered in management/ business school, however, little attention has been given to managerial and leadership behaviour or styles of leaders in the construction industry. The study is conducted with reference to existing theoretical literature, published and unpublished research. This study is mainly a literature review on leadership in the construction industry. One of the primary findings emanating from the study reveals that there are a number of leadership styles available to construction professional. However, for the construction industry and for the managers to be effective they must be able to identify and apply the necessary leadership style suitable for the given situation. Moreover, they should be able to adapt to changes and sometimes contradictory circumstances in which they need to show versatility and flexibility. The study explores leadership and leadership styles in the construction industry and it further highlight's the theoretical literature with regard to leadership. The study presents a robust background on the leadership styles of construction project leaders.

## 1. INTRODUCTION

Leadership is one of the most important and essential factors in project and construction management. Leadership can be seen as the art of influencing others to achieve desired results. According to Walker [1], leadership is defined as the manner in which the project managers and construction managers conduct themselves in their role, in order to obtain the best performance from the people they are managing. Leaders guide behaviours by setting the vision, direction and the key processes; in other words, leadership has a large influence on the whole project process, including the actions of others. The construction process includes planning, organizing, leading and controlling, also known as the four basic management functions. Project managers and construction managers should possess these functions in order to successfully manage construction projects. Moreover researchers in construction management have plainly reiterated the fact that project and construction management is one of the most important factor of good successful projects. Furthermore, Ogunlana [2] states

that, the success of a construction project depends on several factors, one of which is the competencies of the project leaders, their personalities, characteristics, skills and leadership styles, amongst others also the impact on construction project outcomes. Herbert et al [3] informed that cost saving of about 10% can be achieved when a well-qualified manager or leader is involved in a construction project. Despite this fact, little attention has been given to leadership in the construction [4] industry, regardless of the fact that there is so much literature and research in other industries. Langford et al. [5] believe that the low volume of leadership related studies in construction is due to the lack of understanding of knowledge of the industry on the part of social scientists and lack of understanding of the social sciences by those in the construction industry [5].

However, some researchers have stressed on the importance of leadership styles and have given a lot of suggestions on the characteristics, attributes and skills that can be effective in the construction industry. Goodwin [6] stresses the importance of effective leadership and points out the skills required by project and construction managers. Therefore, this paper discusses the theory of leadership styles in the construction industry including with specific emphasis to the project and construction management professionals. The aim of the paper is to investigate the leadership styles of project leaders in the construction industry. The paper starts with an overview of leadership and leadership styles in the construction industry, followed by the presentation of the methodology and the findings from literature before conclusion and recommendations are drawn.

## 2. LEADERSHIP AND CONSTRUCTION—OVERVIEW

The construction industry has a greater need for leadership than arguably any other industry. Many reasons support this notion as it is evident in the nature of the construction projects, and constructed products [7]. Undoubtedly, construction projects are large and technically complex and they involve a combination of specialized skills. Thus, the teams are not only large but are also multi-disciplinary and the

members are from several different construction disciplines and this makes leadership important in this industry.

Project management and Construction management was developed in the construction and engineering fields in order to improve planning and cost controls [8]. Moreover history shows that the construction industry mainly operated in a context of management being managers instead of leaders and there is a continuing controversy about the difference between leadership and management. It is obvious that a person can be a leader without being a manager and a person can be a manager without being a leader. Price [9] stated that, when we are studying the leadership styles of managers in the construction industry, it may become relevant to distinguish between leadership and management. Moreover construction professionals or managers are of the opinion that their focus should be on the completion of tasks. They are oriented towards achieving this goal of finishing their tasks on time and within budget. Leaders, on the other hand are more concerned towards how they can accomplish the task. Goetsch and Davis [10] distinguishes the leaders from the managers by saying that managers focus on systems whereas the leaders focus on people. Even more distinctive feature is that managers take the short view whereas the leaders take the long view.

### **3. LEADERSHIP STYLES IN THE CONSTRUCTION INDUSTRY**

As discussed above, leadership is a key factor for success in any activity that involves collaboration among a group (or groups) of people. In construction, leadership is even more essential [2]. Munns [11] emphasized that the success or failure of project management is highly dependent on the project leadership. And leadership styles have to do with how people interact with those they seek to lead. Some of the leadership styles categorized are 1) autocratic leadership 2) democratic leadership 3) Transformational leadership 4) Transactional leadership and 5) Democratic leadership [9]. Autocratic leaders tell others what to do and expect them to comply obediently. Although it may work in certain circumstances and in the short run but this is not effective in the long run. Democratic leaders are those who make their decisions final only after consulting with the people they are leading based on the consensus [12]. Critics of this style say that popular decisions are not always the best decision to be taken and therefore may fail to produce the desired result. Transformational leaders on the other hand empower their team members to develop their own decisions based on the information provided to them and exert little control over the decision making process. This may be a time consuming process but works well when the team members are very committed to the best interest of the organization. Transactional leaders are result based leaders who ask their team members to focus solely on the goals at hand, these leaders also believe on rewarding subordinates. Opponents of this leadership style say that this is too narrowly focused and often centred on the wrong concerns [12]. Further, there are

three major approaches to the theory of leadership according to Schermerhorn, [13]. They are trait, behavioural and contingency approach.

To this end, it is sometimes assumed that leader's personal trait can determine their leadership qualities or style and this in turn will determine success. With this approach, the belief is that the leaders are born with the qualities that they possess. Traditional and behavioural approaches links and compares behaviour of the ineffective leader to those of the effective leader. The proponent of this theory believes that successful leadership depends more on appropriate behaviour, skills, and actions, and less on personal traits. The distinction between this approach and the previous one is significant, because more than often traits are constant while skills can be learned and changed [14]. For the managers to be effective they must be able to identify and apply the necessary leadership style suitable the given situation rather than predefined sets of successful traits. Moreover they should be able to adapt to change and sometimes contradictory circumstances in which they need to show versatility and flexibility.

Price [9] cited that all transformational factors which are charisma, inspirational motivation, intellectual stimulation, and individualized consideration, and of transactional factors which are contingent reward, management-by-exception, active and passiveness was of great importance for the effectiveness of any leadership. Moreover, literature also reveals that well-perceived leadership style elements for construction professionals include inspirational motivation, idealized attributes, intellectual stimulation, idealized behaviours, contingent reward, and individualized consideration. According to Price [9] building construction professionals should adopt and promote the use of transformational leadership in their interactions with employees in order to realize greater employee performance and satisfaction.

### **4. RESEARCH METHODOLOGY**

The research was conducted with reference to existing theoretical literature, published and unpublished literatures. The study is mainly a literature survey/review and looks at the literatures relating to leadership, leadership styles and leadership in the construction industry. Moreover, the concept of leadership in the construction industry has been under researched. The current methodology falls within the qualitative research methodology.

### **5. LESSON LEARNT FROM LITERATURE REVIEW**

Literature revealed that project management and construction management was developed in the construction and engineering fields in order to improve planning and cost controls [8]. Further, literature showed that there is dire need for leadership in the construction industry, since this industry deals with construction projects that are large and technically complex and they involve a combination of specialized skills.

Further, literature revealed that leadership styles have to do with how people interact with those they seek to lead. Some of the leadership styles categorized are 1) autocratic leadership 2) democratic leadership 3) Transformational leadership 4) Transactional leadership and 5) Democratic leadership [9]. Literature also revealed that leadership can be categorized into three areas: trait-based, situational, and a behavioral approach. These three categories are traditional approaches to understanding leadership.

However, Price [9] cited that all transformational factors which are charisma, inspirational motivation, intellectual stimulation, and individualized consideration, and of transactional factors which are contingent reward, management-by-exception, active and passiveness was of great importance for the effectiveness of any leadership. Price [9] further states that building construction professionals should adopt and promote the use of transformational leadership in their interactions with employees in order to realize greater employee performance and satisfaction in the construction industry.

## 6. CONCLUSION

This paper has examined literature relating to construction leadership styles by project leaders. Literature review showed that good leadership is important in the construction industry. Literature also showed that there are different types of leadership styles and approaches. This paper examined the leadership styles of project leaders in the construction industry and literature revealed that certain styles are effective based on the given moment or situation within the project.

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