THE RELATIONSHIP BETWEEN PROJECT MANAGER LEADERSHIP

STYLE AND PROJECT SUCCESS

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THE RELATIONSHIP BETWEEN PROJECT MANAGER LEADERSHIP STYLE

AND PROJECT SUCCESS

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ABSTRACT

THE RELATIONSHIP BETWEEN PROJECT MANAGER LEADERSHIP STYLE AND PROJECT SUCCESS

The purpose of this paper was to identify is there a relationship between project manager leadership style and project success. Leaders and managers leadership play an important role in organizations, but there is little known about the relationship between leadership style and project success.

In recent years, competition has become increasingly intense between organizations, which results in higher organizational requirements, such as increased efficiency, lower cost and so on. As a result of this, the leadership competencies of managers and leaders are extremely important. Managers and leaders who have excellent leadership competencies are always beneficial for the organizations.

In order to understand the relationship between project manager leadership style and project success, this paper conducted a review of literature of leadership style. Then, a review of literature about project manger leadership competency was conducted. At last, a literature review about research of project success was conducted. The researcher then synthesizes the information in an attempt to understand the relationship between project manager leadership style and project success.

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INTRODUCTION

In recent years, competition has become increasingly intense between organizations, which results in higher organizational requirements, such as increased efficiency, lower cost and so on. As a result of this, the leadership competencies of managers and leaders are extremely important. Managers and leaders who have excellent leadership competency are always beneficial for the organizations.

After reviewing the literature on project success factors, it is apparent that previous researchers largely neglect the impact of the project manager and his or her leadership style and leadership competence. This situation is totally different from general management research. In general management, researchers believe effective leadership is a key factor in organizations, and has shown that an appropriate leadership style can result to a better performance.

The thought that leadership competency and leadership style affects project success is not a new one. From the 1950s to present, a great deal of research has investigated leadership competency and leadership style in project management. Yet, none of this research has proven that there is specific relationship between leadership style and project success. Finally, Turner and Müller (2005) researched leadership style and project success, and proved that there is specific relationship between leadership style and project

success. Subsequent research has also shown that leadership style and project

success are related (Turner and Müller, 2005).

Today, more and more research focuses on this topic. As more

research is conducted, the nature of the relationship between leadership style

and project success will be better understood. Project managers with a better

understanding of this topic may be able to use this understanding to choose the

best leadership style for the project.

Statement of Problem

Leadership is an extremely important factor for any organization.

CEOs and managers, who have excellent leadership skills, contribute to the

success of the organization. In project management, leadership is one of the

keys to project success, such that project managers who have outstanding

leadership skills are more likely to lead the project team to success (Dulewicz

& Higgs, 2005). In discussing the topic of leadership, it is apparent that there

are many aspects to leadership, including leadership style. In project

management, there are all kinds of projects, and every project manager has a

different leadership style. Therefore, it is important to determine if the project

manager's leadership style influences the success of the project.

Purpose of the Research

As stated previously, there is a lack of research directed at

understanding the relationship between project manager leadership style and

project success. The purpose of this paper is to conduct a literature review in order to attempt to answer the following question: Does the project manager's leadership style influence project success?

Significance of the Problem

Nowadays, project management is becoming increasingly important in organizations. Project success can be attributed to many factors, including the leadership of the project manager. Thus, research into whether there is relationship between project manager's leadership style and project success is of the utmost importance.

Assumptions

For the purpose of this paper, it was assumed that all research and literature reviews were accurately reported. It is also assumed that the literature will make recommendations on how best to use the research available.

Delimitation of the Research

The research was conducted in and through the Karrmann Library at the University of Wisconsin-Platteville, over sixty (60) days. Primary searches were conducted via the Internet through Business – ABI/INFORM Global. Key research topics included "leadership and project management", "leadership style and project management" and "project management and success project".

Method of Approach

A brief review of literature on the history of leadership style and project success (1940-present) was conducted. A second review of literature relating to research and studies of leadership style and leadership and their impact on project success was conducted. The findings were summarized and recommendations were made.

Definition of Terms

Leadership. "Leadership is the ability to influence a group toward the achievement of goals," (Robbins, 2005, p. 332).

Leadership style. Leadership style is the manner and approach of providing direction, implementing plans, and motivating people.

Project. "A project is a temporary endeavor undertaken to create a unique product, service, or result." (A Guide to the Project Management Body of Knowledge, 2004, p.3)

Project management. "Project management is the application of knowledge, skills, tools and techniques to project activities to meet project requirements. Project management is accomplished through the application and integration of the project management processes of initiating, planning, executing, monitoring and controlling, and closing."(A Guide to the Project Management Body of Knowledge, 2004, p.8)

REVIEW OF RELATED LITERATURE

Leadership Style

From ancient times to the present, people have been trying to identify what makes excellent leaders. Some of the most frequently quoted historical authors include Plato, Machiavelli, Hobbes, and Locke from the West (Collinson, 1998), and Confucius and Laozi from the East (Collinson, Plan, & Wilkinson, 2000).

Over the last 75 years, six schools of leadership theory have developed, five of which have suggested that different leadership styles are appropriate in different circumstances (Turner and Müller, 2005). Turner and Müller (2005) defined six schools of leadership styles, including the trait school, the behavioral school, the visionary school, the contingency school, the emotional intelligence school, and the competency school.

The trait school of leadership theory was wildly popular in 1940s. The trait school asserts that effective leaders share common traits. They suggest good leaders display certain traits which they are born with, not made. Attempts to identify the traits of effective leaders have focused on three main areas: Abilities - hard management skills, Personality - such as self-confidence and emotional variables, and Physical Appearance - including size and appearance.

The behavioral school of leadership theory was popular in 1940s to 1960s. The behavioral school assumes effective leaders display given

behaviors or styles, which can be developed and are not necessarily present at birth. Most researchers from the behavioral school assume different behaviors or styles are appropriate in different circumstances, but that concept was formalized by the contingency school. Turner (1999), from work he did at Henley Management College, identified seven features of effective project managers: problem solving ability; results orientation; energy and initiative; self-confidence; perspective; communication; negotiating ability. However, Turner (1999) didn't identify whether different features would be appropriate for different types of project.   Turner also took the four leadership styles, laissez-faire, democratic, autocratic and bureaucratic, and advised how each style was appropriate at a different stage of the project life-cycle: feasibility, design, execution and close-out, respectively (Frame, 1987).

The contingency school of leadership theory was popular form 1960s to 1970s. Different from other schools that define common theories of leadership that would be used in different circumstances, the contingency school suggests that what makes an effective leader would depend on the situation. They try to follow the same pattern:

1. Assess the characteristics of the leader

2. Evaluate the situation in terms of key contingency variables

3. Seek a match between the leader and the situation.

The visionary school of leadership theory was popular in 1980s and 1990s. The visionary school identifies two types of leaders, those who focus on relationships and communicate their values, and those who focus on process, called transformational and transactional leaders, respectively. Confucius and Aristotle had similar views on leadership. Keegan and Den Hartog (2004) predicted that transformational leadership would be more appropriate for project managers. However, in their study, even though they found a preference for transformational leadership, they could find no significant link. Thus, across all projects, that one dimension was not a significant determinant of success as a project manager.

The emotional intelligence school of leadership theory assumes all managers have a reasonable level of intelligence. What distinguishes leaders is not their intelligence, but their emotional response to situations. Goleman et al. (2002) identify nineteen leadership competencies grouped into four dimensions:

1. Personal competencies

   • Self-awareness (mainly Confucius's moderation)

   • Self-management (mainly Confucius's values)

2. Social competencies

   • Social awareness (mainly Confucius's values)

• Relationship management (mainly Confucius's relationships).

They also advise six management styles, with different profiles of competencies: visionary; coaching; affinitive; democratic; pacesetting; and commanding. Through a survey of 2,000 managers they identified situations in which each style is appropriate. The first four are best in certain situations, but are adequate in most situations medium to long-term. They classify the last two styles as toxic. They say they work well in turn-around or recovery situations, but if applied medium to long-term they can poison a situation, and de-motivate subordinates.

The competency school of leadership theory states that effective leaders exhibit certain competencies. It encompasses all the previous schools because traits and behaviors are competencies, it says certain competency profiles are appropriate in different situations, it can define the competency profile of transformational and transactional leaders, and it suggests emotional intelligence as one of four groups of competencies. After a substantial review of the literature on leadership competencies, Dulewicz and Higgs (2003) identified fifteen which influence leadership performance. They group the competencies into three competence types, which they call intellectual quotient (IQ), managerial quotient (MQ) and emotional quotient (EQ).

Dulewicz and Higgs (2003) also identified three leadership styles, which they called Goal-Oriented, Involving and Engaging. Through a study of 250 managers working on organizational change projects they showed

goal-oriented leaders are best on low complexity projects, involving leaders

are best on medium complexity projects, and engaging leaders are best on high

complexity projects. Thus, they showed that on organizational change

projects:

> • Certain leadership styles lead to better results than others;

> • Different leadership styles are appropriate depending on the complexity

> of change.

All of the six schools of leadership believe that different leadership

styles are appropriate in different situations. However, the project

management literature has virtually ignored the contribution of the project

manager's leadership style to project success.

Project Manager Leadership Competency

Project manager leadership is part of the project manager's

competencies. A few researchers have made a connection with the project

managers' leadership and project success. Rees, Turner, and Tampoe (1996)

defined six features of effective project managers, and they found that

effective project managers are usually highly intelligent and have better

problem solving abilities than normal project managers. These features are

similar to the intellectual quotient (IQ) theory that Dulewicz and Higgs (2005)

developed as part of their leadership competency theory. Although Rees et al.

(1996) defined six features, they didn't provide any proof that these features

contribute to the project success directly. Anderson, Grude, and Haug (1987) pointed out how important the project manager's personal characteristics are, when choosing a project manager. However, they didn't prove that the personality characteristics contribute to the project success either.

Pinto and Trailer (1998) identified the following traits of effective project leaders: creative problem solving, flexible management skill, credibility and effective communication. At the same time, they recognized that project managers have a unique set of administrative, technical, and leadership skills. A good project manager must possess all of these skills. Again, they did not demonstrate that the characteristics and skills of the project manager relate to project success.

Crawford (2007) defined project manager competence as a combination of knowledge (qualification), skills (ability to do assignment), and core personality characteristics (motives + traits + self concepts) result to excellent consequences. He thought that project manager's competency is highly-related with project success. Crawford stated that leadership is the highest-ranking category among project manager competence, but it's not the highest-ranking category for project success.

Geoghegan and Dulewicz (2008) recognized that there is a relationship between project manager's competencies and project success. In order to prove that there is a relationship between the project manager's competencies and project success, Geoghegan and Dulewicz (2008) used the leadership

dimensions questionnaires (LDQ) and the project success questionnaire (PSQ) to gather data from 52 project managers and project sponsors. An analysis of PSQ showed three independent factors: usability, project delivery, and value of output to clients. However, value of output to clients is not related to project leadership, Geoghegan and Dulewicz (2008) mainly stated the correlations between usability and project delivery and project leadership. They found eight separate leadership dimensions (IQ dimensions: critical analysis, EQ dimensions: self-awareness, sensitivity, influencing, motivation, MQ dimensions: manage resources, empowering, developing) were statistically related to project performance, so they proved there is a relationship between project manager's competencies and project success. Defining this kind of relationship offers managers guidance, whereby increased capability in leadership dimensions can lead to increased success in project management.

Based on the literature on project manager competencies, it could be proved that the competencies required by project managers are similar to the leadership competencies. There is a consensus that effective project managers have combination of skills such as leadership skills, management skills, and communication skills and so on. To some extent, leadership is one of the most important categories of project manager's competency. Until recently, project management researchers did not make a directly connection between project manager leadership and project success. Finally, Geoghegan and Dulewicz

(2008) proved that there is a relationship between project manager's

competencies and project success.

<div align="center">Project success and the Project Manager</div>

There are few topics in the field of project management that are so

frequently discussed, and yet so rarely agreed upon, as what constitutes project

success (Pinto & Slevin, 1988a). Nowadays, critical success factors (CSFs) are

popular with project management, as a means of assessing project success.

During the past several years there has been an extension of the measurement

of project success from 1970s to now. In 1970s, the measurement of project

success focused on time, cost (on budget) and functional improvement. And

throughout the 1980s and 1990s, measurement of project success focused

more on quality. Today, project success takes stakeholder satisfaction, product

success, business and organization benefit, and team development as measures

of project success (Atkinson, 1999; Baccarini, 1999).

In the 1980s, literature on project success factors grew rapidly. Some

authors defined functionality (performance), project management (schedule

and on budget), commercial success, termination efficiency, and client

satisfaction as success factors (Baker, Murphy, & Fisher, 1988; Pinto & Slevin,

1988a). But there is no proof that project manager's leadership characteristics

are related to project success. Anderson et al. (1987) identified the pitfalls that

may block project success and increase the chance of project failure. The

pitfalls to project success include the method that was used to plan, control

and organize the project. Baker et al. (1988) defined "perceived" project

success as achieving the project's technical specifications and/or project's

mission and earning a high rank of satisfaction from the client, the users and

the project team. At the same time, they emphasized planning as opposed to

leadership as a key factor in maximizing potential project success.

Pinto and Slevin (1988b) conducted a study of project success and

identified 10 factors (Project mission, Top management support, Schedule and

plan, Client consultation, Personnel, Technique task, Client acceptance,

Monitoring and feedback, Communication, Troubleshooting) for success.

They determined that effective communication channels were very important

to project success. Ironically, project manager leadership and project

management skills are not noticed as a success factors. However, they

mentioned that the project will be a failure without project management

characteristics such as project manager administration, human skills, and

influencing skills as strongly contributing to the failure of projects.

Lee-Kelley and Leong Loong (2003) identified a significant

relationship between the project manager's perception of project success and

his or her own personality. Self-confidence and self-awareness are very two

important characteristics of the project manager that contribute to project

success.

Turner (1999) defined an approach for successful implementation of

projects. Turner's seven forces model (based on the work of Morris, 1988 and

Morris & Hough, 1987) include a "people" force, representing the people on

the project and their management, leadership, teamwork, and industrial

relations. He realized that the need for effective project manager leadership is

a part of the project approach that results in successful project implementation.

But, Cooke-Davies (2001) stated that despite well-known research results and

decades of individual and collective experience of managing project, project

result continues to disappoint stakeholders. Cooke-Davies focused on cost,

time and quality when studying project success and identifying related success

factors. He did not investigate the people side of project management or refer

to the project manager's competency and leadership ability when defining

project success factors.

Jugdev and Müller (2005) reviewed the literature on project success

and concluded that four conditions are necessary, but not sufficient, for

success:

1. Success criteria should be agreed with stakeholder before and during the

    project.

2. A collaborative working relationship should be maintained between

    project owner/sponsor and manager.

3. A project manager should be empowered to deal flexibly with unforeseen

    circumstances.

4. The project owner/sponsors should take an interest in performance of the

    project.

Turner and Müller (2005) reviewed the contribution of the project manager's competence and leadership style to project success and conclude that "the literature has largely ignored the impact of the project manager, and his/her leadership style and competence, on project success," (p.59). They found that in the general management literature, it is widely recognized that the functional manager's leadership style contribute to the success of the organization or organizational unit he or she manage, but the project manager's leadership style is generally ignored when identifying project success factors.

As mentioned before, Geoghegan and Dulewicz (2008) found eight separate leadership dimensions (IQ dimensions: critical analysis, EQ dimensions: self-awareness, sensitivity, influencing, motivation, MQ dimensions: manage resources, empowering, developing) were statistically related to project performance, so they proved there is a relationship between project manager's competencies and project success. Defining this kind of relationship offers managers guidance, whereby increased capability in leadership dimensions can lead to increased success in project management. They recognized that there is a relationship between project manager's competencies and project success.

SUMMARY

Conclusions

As previously mentioned, leadership is very important in shaping the attitudes and behaviors of the employees in an organization. It also influences how people communicate with each other in order to solve problems and make decisions. Leadership researchers have focused, not only, on interpersonal relations, but also on the role of a leader and his or her leadership competency. The objective of this paper was to answer the question, is there a relationship between project manager's leadership style and project success.

After a thorough review of literature on project success factors, it is apparent that researchers have, to a large extent, ignored the effect of the project manager, and his or her leadership style and leadership competence, on project success. First, the reason why this happened may be because mostly researchers surveyed project managers' opinions on project success factors, but respondents never mentioned the project manager's leadership style and its effects on project success. Secondly, it may be that researchers never inquired into the effects of the project manager's leadership style. Lastly, it may be because the project manager's leadership style has no impact on project success. However, the idea that the project manager's leadership style has no impact on project success goes totally against management theory, which holds that the leadership style and leadership competency of a manager have a direct impact on the performance of the organizations. Recently, some

researchers proved that there is definite relationship between leadership competency and leadership style and project success (Dulewicz & Higgs, 2005; Turner & Müller, 2005, 2007; Geoghegan and Dulewicz, 2008). Leadership will remain one of the most important aspects of project management, and, as a result, more researchers will study this topic.

Research indicates that the leadership style of a project manager is an important factor in being assigned to a project (Turner and Müller, 2005). At the same time, the project manager's leadership style influences the project team and can contribute to project success. They found that a project manager's emotional competence, EQ, had a meaningful contribution to project success, in most project situations. Managerial competence, MQ, of the project manager was sometimes meaningful, and intellectual competence, IQ, was usually not correlated to success.

After reviewing the current research on the relationship between project manager's leadership style and project success, it can be concluded that there is some indication that the project manager's leadership style can influence project success. Therefore, in order to choose an appropriate project manager for a project, the project manager's leadership competencies and leadership style should be matched to the needs of the project stakeholders. In addition, doing so should increase the likelihood of the project being successful.

Limitations

One limitation of this study is that it was conducted as a literature review, and, as a result, the study only addressed American leadership theory. Historically, mostly American researchers have studied leadership theory, and, therefore, theories regarding the leadership styles of non-American project managers are virtually non-existent. In this paper, the researcher ignored cultural difference due to limited leadership research focused on other cultures. This paper was written with the assumption that there are no culture differences and the conclusions drawn can be applied in any culture.

Another limitation is that there has been limited research into the impact of the project manager's leadership style on project success. Therefore, this paper was restricted to reviewing information about leadership theory in organizations in general and a small number of studies directed at understanding leadership styles of project managers.

Recommendations for Future Research

With regard to the need for further research, three areas should be investigated. First, given the shortage of information regarding the nature of the relationship between leadership style and project success, it is imperative for project management researchers to investigate how leadership style affects project success. A better understanding of this relationship can help project managers to be more effective leaders and lead to more projects being successful.

Secondly, the question of which leadership style is most appropriate for different kinds of projects needs to be addressed in further research. This type of research can allow project managers to be selected to work on projects that most suit their leadership style. In this way, the project and the project manager will be matched to each other and the likelihood of the project being successful may be increased.

Lastly, the question of which leadership style is best needs to be investigated. If there is a single best leadership style for project managers, this would be an important focus for selecting and training project managers. Each of these three questions represents an important factor in our understanding of the relationship between the project manager's leadership style and project success.

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