Investigation of the Relationship Between Transformational Leadership and Project Success

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Declaration

This thesis is a presentation of my original research work. Wherever contributions of others are involved, every effort is made to indicate this clearly, with due reference to the literature, and acknowledgement of collaborative research and discussions.

The work was done under the guidance of Professor Mike Snelgrove, at the Cardiff Metropolitan University.

Signed: Joseph P. Martin

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Abstract

Projects have been executed since the beginning of mankind and have provided us with some remarkable achievements. Projects come in many different shapes and sizes, and many organizations depend on the success of projects for survival. Interest in project management has grown rapidly over the past decade, however it has been identified that projects are continuing to fail at astounding rates. Project management has evolved drastically over the years, which has been influenced by an increase in complexity. Several factors that have influenced higher complexity in project environments include globalization, population growth, technological advancements, and social changes. Traditional project management methods have been questioned whether they are sufficient enough to manage these projects that contain higher complexity which lead to uncertainties. Therefore, project management observed a shift in focus from traditional ‘hard’ skills towards people oriented ‘soft’ skills. Similarities have been drawn between the ‘soft’ skills of project management and the transformational leadership style. Transformational leadership skills contain characteristics that can solve or manage the challenges that arise from complexity. The transactional leadership style, also referred to as ‘hard’ skills, is also essential for projects as they provide the foundation containing the objectives relating to scope, budget, and time. These two leadership styles are complimentary of each other when exhibited simultaneously and effectively. It has been identified that transformational leadership is critical factor for project success. It is especially critical in projects with high complexity. However it has also been determined that projects that are stable and straightforward still require transformational leadership displayed as projects contain people and their emotions, which are not predictable and require emotional intelligence.
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Chapter 1: Introduction

1.1 Background

A project can simply be defined as ‘unique, transient endeavors undertaken to achieve a desired outcome’ (PMI, 2013). Projects can come in all different sizes with varying degrees of complexity and risk that will produce an infinite number of final results (Archibald, 2013). The concept of projects is nothing new to humanity as history has provided us with many examples of complex human designs that required strategic planning and a massive amount of workforce and man-hours to execute. The Great Wall of China, Panama Canals, and the Egyptian pyramids are all examples of complex projects that had a vision that was carried out through strategic planning and teamwork (Archibald, 2004). Whether a project is as complex as landing on the Moon, or more straightforward such as building a house, the skills involved in managing these projects are not well known other to the professionals concerned (Morris, 1994).

Today, project management is essential to the business world. Project management principles and practices continue to evolve rapidly, as research is continuously being conducted in order to seek why projects fail/succeed (Saynisch, 2010). Project management books, magazines, journals, seminars and conventions have seen growth in popularity, as well as the rapid increase of professional positions in this field is growing at a remarkable rate (Harvard-Valley 2012). A project manager carries the responsibility of delivering a successful outcome. A successful manager has to balance many roles and tasks simultaneously, and those who lack the skills to do so are considered causes of project failure (Zulch, 2014). Given all the extensive research and experience in project management, it is surprising that the majority of projects still fail. A particular study conducted by ‘Price Water House Coopers’ reviewed 10,640 projects throughout 30 countries from 200 companies. Their research discovered that only 2.5% of the companies successfully completed 100% of their projects. The result of inadequate project management is reaching an
excessive amount of wasted money, and is threatening to companies that rely purely on larger scale projects.

Project management is continuously evolving based on influencing factors such as globalization, population increase, technological advancements and social changes (Saynisch, 2010). These factors are rapidly changing project environments, which influence an increase in project complexity. Projects that are considered highly complex may involve more people, departments, phases, subordinates, etc. The more elements involved in a project will inevitably contain more uncertainties. These uncertainties can cause major disruptions and be challenging for project managers.

The traditional role of the project management is concerned with the processes and procedures of managing the scope, budget and cost of projects (Saynisch, 2010)(PMI, 2013). This standard approach is observed as critical as it sets the foundation for projects. However, after identifying the amount of projects that fail, and the constant evolution of project management, it is worth contemplating whether standard project management approaches are sufficient for modern day projects. The additional elements in projects and the more people to manage will undoubtedly require supplementary skills rather than just technical. Therefore, more recent literature has recognized that modern day projects not only require a manager, but also a leader. In particular, transformational leadership has been acknowledged to contain characteristics that contribute to project success (Muller and Turner, 2005). Leadership and Project Management have received a vast amount of research respectively, however there is a lack of literature that connects project management and project leadership together as a factor for project success. There appears to be a gap in literature that identifies the key variables in leadership that directly contribute to project success. Therefore, this report intends to explore research relating to these two roles, and determine if a positive relationship exists between transformational leadership and project success.
1.2 Aims/Objectives

The overall aim of this dissertation is to:

➔ Identify and explore links to determine if there is a relationship between transformational leadership skills and project success.

In order to attain this aim, the following objectives have been established in order to ensure the applicable areas have been researched in order to provide the most appropriate recommendations:

1. Conduct and in depth analysis of project management theories and examine the shift in focus influenced by rising complexity.

2. Critically evaluate and explore leadership styles and behaviors that are essential for improving the performance of project management.

3. Discuss the findings identified throughout literature regarding the relationship between project management and transformational leadership.

4. Formulate recommendations that will enhance project management practices concerning the implementation of transformational leadership skills.
1.3 Research Methodology

The objective of this dissertation is to identify if transformational leadership demonstrated by project managers is a critical factor for project success. Due to ethical constraints, this dissertation will conduct its research and evaluations strictly from secondary data. There is an extensive amount of literature on both project management and leadership theories available. However, there is a limited amount of research that links together project success and project management leadership. This dissertation aims to explore academics pertaining to these areas, and draw conclusions based on critical evaluations. The majority of the literature that will be analyzed throughout this report will derive from professionals in the field of project management and Leadership. The secondary data that will be collected for the purpose of this report will derive from journals, interviews, articles, and textbooks. The structure of the research will first critically evaluate and assess past and current theories and concepts pertaining to project management. Thereafter, Leadership methodologies and styles will be examined and analyzed. After conducting research, conclusions will be drawn in order to determine whether a connection exists between transformational leadership and the performance of project management success. Recommendations will be formulated to provide suggestions regarding improving current project management practices.
Chapter 2: Literature Review

2.1 Project Management Overview

Before a relationship between project manager leadership skills and project success can be determined, it is imperative to first examine and analyze the role of project management. As such, herein traditional methods of project management, an overview and evaluation of complexity and its influence on the shift in focus of project management, and the required skills essential for modern day project management will be evaluated.

2.1.1 Traditional Project Management

Project Management can be described as the task of applying methods, knowledge, skills, processes, and experience in order to attain project objectives. Traditional project management practices originated in the 1950’s through requisition from construction and defense industries to aid planning, controlling, and management of larger ‘tangible’ projects (Alias et al., 2014). Traditional planning and controlling by management was based mainly on mechanical, non-dynamic, linear structures (Saynisch, 2010). From here ascended the term 'hard' skills as success criteria when managing schedule, cost, and scope (Saynisch, 2010)(Alias et al., 2014).

The understanding during this time period was rigorous hierarchical structures controlled by the top was most effective when managing projects (Saynisch, 2010). Sutherland and Ahmad (2011) describe this structure as a ‘water fall’, where progress flows downward during the numerous stages of the project. These traditional practices mainly derive from the Project Management Institute (PMI) defined processes, phases, knowledge and methods of project management. The Project Management Body of Knowledge (PMBOK) from PMI has been the standard for project management for years and is frequently applied to projects (Sutherland and Ahmad, 2011). According to the PMBOK (2013), project management can be categorized into 5 process groups, which are: Initiating, planning, executing, monitoring and controlling, and Closing. Saynisch (2010) suggests that the PMBOK
is concentrated on traditional 'Hard' skills such as cost, scope, budget, etc. which are undoubtedly crucial for project managers. However, the rapidly changing environments are causing a large quantity of projects to continue to fail. Some of the factors that are influencing these constant changes include economical, social and global changes, as well as technological developments and innovations. Therefore, traditional project management methods have been questioned whether or not these practices alone are applicable for progressing complex environments (Saynisch, 2010).

2.1.2 Complexity

Complexity is a term that has received considerable attention over the past few decades, especially amongst project management professionals. There is a general understanding throughout literature that suggests complexity is important to project management, however, the definition of complexity among professional and academics still remains challenged and questioned (Remington, 2011). The difficulty in defining complexity derives from the challenging task of determining what projects are considered complex. Project size, budget, risks, project members, are only a few factors that are considered when determining complexity (Remington et al., 2009). Furthermore, there could be multiple sources of complexity within a project, relating to interconnectedness, absence of clarity regarding goals and objectives, and means to achieve goals. Moreover, personnel throughout the project structure may have different perspectives on complexity depending on their particular position and experience or background (Remington et al., 2009). Regarding management issues, Remington (2011) states that project managers either classify their projects as either simple or complex. Nevertheless, he further points out that projects are rarely simple as they most often deal with people and their emotions. A complex project involves several characteristics to a degree or level of severity, making it tremendously challenging to manage and control, and foresee project outcomes (Remington et al., 2009). Complexity consists of numerous elements in a system and several forms of relationships within these elements.
(Remington et al., 2009). Baccarini (1996) states that complexity can be anything characterized by difficulty, therefore it is determined in the eyes of the observer. After reviewing the various definitions of complexity, it is clear that a general agreement exists that a complex project consists of uncertainty and ambiguity (Remington, 2011).

2.1.2.1 Complexity vs. Project Management

Having defined complexity, subsequently, it’s significance for project management can be outlined. It is clear that the more complex a project is, the more uncertainties or ‘unknowns’ will occur. Uncertainties are a concept that appears repeatedly while exploring literature pertaining to complexity. More uncertainties may become problematic, “complexity matters only because of the cognitive problems it gives rise to” (Fioretti and Visser, 2004, p. 12). Limas et al., (2010) propose that uncertainty is an element of complexity. Likewise, Remington et al. (2009) state uncertainty is the product of immense complexity. Certainly the more ‘unknowns’ that arise will generate challenges for project managers. They will have to adapt and produce fast and effective solutions in order to meet project objectives. Nevertheless, we must question the recent theory that projects are becoming more complex. Mankind has produced massive structures with a vast amount of elements for many years now. Surely these projects were complex and provided challenges for management. Some of the literature suggests poor management is the issue, rather than complexity. Laufer et al. (1996) express that all managers face extremes, and it’s the ‘mediocre’ managers that will struggle and get preoccupied trying to solve one issue. Whereas ‘master’ managers will demonstrate ‘simultaneous management’, which manages the rapid fluctuating demand appropriately. Baccarini (1996) further expresses that complexity is distinctly different than project characteristics ‘size and uncertainty’. Williams (1999) breaks project complexity into two dimensions: Structural uncertainty and uncertainty. ‘Structural Uncertainty’ contains the number of elements along with the interdependence of elements, whilst ‘Uncertainty’ contains doubt in goals and methods. In some cases,
the appropriate knowledge or tools are available, however if the person does not believe they can complete certain tasks on the basis of that knowledge, they are considered uncertain. Therefore, it can be assumed that uncertainty feelings depend on both the knowledge accessible to the appropriate members as well as their perceptions of own capabilities to access or use it (Brashers, 2001; cited by Remington, 2011).

2.1.2.2 Risk Management

In an attempt to reduce the amount of uncertainties, project managers will perform risk planning, which intends to identify any possible disruptions that may appear throughout the life cycle and decrease the likelihood of them occurring (PMI, 2013). The PMBOK defines project risks as an uncertain incident that may have a negative impact on project objectives. Additionally a risk may only have on cause, but can lead to multiple impacts (PMI, 2013). Risks can be devastating to projects as they can disrupt schedule, cost extra money, and cause inadequate performance (Raz, 2002). The ‘known’ risks can be identified and proper responses can be applied based on anticipating and planning. There are also ‘known’ risks that cannot be managed promptly, therefore should be assigned a contingency reserve. Additionally, the ‘unknown’ risks cannot be predicted and managed proactively (PMI, 2013). It seems logical, therefore, observing complexity and risks that implementing a proper risk management plan will help prepare and identify disturbances during a project. However, many of these risks will surface suddenly and unexpectedly and may need fast, dependable solutions. The ‘planning fallacy’ was proposed which favorably underestimates the time needed to complete a project, even being fully aware that similar tasks in the past have taken longer. This can result in future optimism regarding prediction times, which will differ from general beliefs about the amount of time such projects will take (Buehler et al., 2005). A ‘proper’ risk management plan may be useful, however complexity makes this very difficult as it increases uncertainty. Taleb (2007) refers to true uncertainty as ‘Black Swans’, which is characterized as highly improbable events that are totally unpredictable, and can have a massive impact. Moreover, since these events are rare
and unpredictable, standard mathematical treatment does not always apply (Taleb, 2007; cited by Sniedovich, 2012). Therefore, we can assume these types of situation will undoubtedly require leadership, which will be explored in greater detail later.

2.1.2.3 Drivers of Complexity

Whilst understanding complexity, and how it can affect the management of projects, understanding what drives complexity may also be important for the purpose of predicting and monitoring the issues that derive from this concept. One of the reasons the complexity in projects has received a lot of attention recently is due to the rapidly changing environments within projects. Some of the technological, social, economical, and cultural elements have evolved quickly resulting in amplified complexity (Saynisch, 2010). One of the main factors resulting in increased complexity is globalization. Globalization can be referred to as interaction and integration amongst people, companies, and governments of different nations (Globalization 101). Globalization is not a new concept, people from around the world have been buying and selling from one another for many years. However, recent changes in policies and technological advancements have escalated the quantity and speed of these exchanges internationally (Globalization 101). Regarding today’s globalization, author Thomas Friedman describes it as “farther, faster, cheaper, and deeper” (Globalization 101). Technological advancements have been one of the most influential factors in accelerating globalization. Mobile phones, cloud computing, Internet of Things, and social networks all are accumulating speed whilst interacting with and expanding one another (Norris, 2015). A stat that validates this from Norris (2015) indicates “Global online traffic across borders grew 18-fold between 2005 and 2012, and may increase 8-fold more by 2025”. Williams (1999) expresses that more recently the speed at which a project is delivered is becoming increasingly important, as there is a desire to reduce ‘time to market’. This time constraint may enforce parallelism and concurrency, which can produce supplementary complexity (Williams 1999). The International Centre for Project Management (ICCPM) proposes a different reason for increasing project complexity.
They suggest project complexity isn’t about size, cost, or technological integration challenges, but rather humans continuing to push and exceed boundaries and expectations. The approach and application of these demands will inevitably require abilities beyond traditional project management (ICCPM). Understanding complexity and its key drivers provides us with a stronger understanding of the environments projects consist of when involving many more elements.

### 2.1.3 Shifting Focus in Project Management

In the continuously changing and unpredictable world, project management has become extremely important for the delivery of successful projects (Alam et al., 2007). The evolution of society and its markets, technological innovations, organizations and people is challenging to predict (Saynisch, 2010). In just over the past half century, global change has increased drastically. However, Laufer (2012) suggests that despite these immense changes, project management theories have remained unaffected. Laufer (2012) acknowledges a quote by Winston Churchill that relates to current project management theories, “We are shaping the world faster than we can change ourselves, and we are applying to the present the habits of the past”. As projects are becoming larger, with many more components and variables researchers are suggesting a different approach to project management. Koskela and Howell (2002, cited in Laufer, 2012, p. 5) state, “In the present big, complex, and speedy projects, traditional project management is simply counterproductive; it creates self-inflicting problems that seriously undermine performance”. Following an extensive study of over 3,000 articles, Thomas and Mengel (2008) determined that the evolution of project management requires a new trend where managers need to demonstrate leadership qualities rather than merely management. More recently, several studies have identified that even the most efficient planning, monitoring, and risk management cannot predict and eliminate the unknown problems that arise throughout a projects life cycle (Laufer, 2012).

The increase in project complexity along with the vast number of failing projects has
resulted in a significant loss of money (Hardey-Valley, 2012). This has influenced professionals and scholars to focus their research on what factors are most important to project success, also known as Critical Success Factors (CSF) (Alias et al., 2014). CSFs as defined by Alias et al. (2014) are the inputs that can lead directly or indirectly towards project success. More specifically, CSFs are the characteristics, variables, and conditions that could have a crucial impact on success if accurately implemented (Alias et al., 2014). Over the past 20 years, CSFs have been implemented in many projects and have gained popularity, especially within construction companies (Chan et al., 2004). Nonetheless, CSFs are not consistent as these factors differ from project to project, therefore the majority of research studies still narrows in on traditional project management processes such as planning, executing, and controlling (Alias et al., 2014)(Alam et al., 2007). However, companies are realizing that people are the ones who produce and deliver projects; therefore a more clear understanding of people and management skills is critical for success (Pant and Baroudi, 2007). Practitioners have recognized that the function of project management cannot achieve success with merely technical skills, therefore a focus of interpersonal or ‘soft’ skills have been identified and related to success (Gillard, 2009).

2.1.4 Soft Skills

Unlike traditional ‘hard’ skills that feature more technical characteristics of project management, ‘soft’ skills can be described as the intangible interpersonal people skills that are used to empower and motivate project members (Gillard, 2009). Some of the most effective ‘soft’ skills include leadership, communication, expectations management, decision-making, negotiations and problem solving (Marando, 2012). Zielinski (2005, cited by Gillard, 2009, p. 725) states that “if you had asked project management gurus five years ago to name the most important competencies project managers should have, most would have said technical skills. Today they’d be more inclined to place communications or negotiations acumen at the top of their list”. Zielinski (2005) further points out the indisputable importance of technical expertise in managing a project relating to time, cost and scope (Gillard,
2009). However, in relation to skill hierarchies, many companies now regard soft skills such as communication, negotiation, etc., as higher order skills.

It’s hard to fathom that throughout all the years of extensive research regarding the management of projects, only in the past few decades has interpersonal skills become a primary focus. That is not to say there were no academic observations regarding ‘soft’ skills. In 1987, Posner (cited by Gillard, 2009) identified that the essential complications challenging project managers are not technical issues, but rather the management of people. In the same year, Brousseau (1987) agreed with Posner’s statement and further suggested that communication and leadership skills are more important than technical skills. Similarly, Ahmed et al., (2013, p. 44) states that “management literature has recognized that performances of functional manager’s leadership contributes to project success in organization but the performance of project manager is ignored while identifying the project success factors”. One of the problems for slow and limited literature regarding ‘soft’ skills is these skills can be rather intangible and difficult to measure in relation to success (Yang et al., 2010).

The majority of conflicts that arise during a project are technical; therefore they can be solved using knowledge and standard procedures resulting from initial planning and risk management (Laufer, 2012). The other conflicts that will arise can be referred to as the unknown problems that cannot be predicted and will inevitably occur throughout the project life cycle. These issues will need to be met by adapting to the current situation. The project manager will need to make important and sometimes timely decisions in order to meet project objectives. These conflicts will undoubtedly require leadership.
2.2 Leadership Overview

Different leadership styles require corresponding competencies that are essential for project management. Here, literature published by professionals and experts in the leadership and project management fields that support the relationship between project management leadership and success is critically analyzed in order to establish whether there is a relationship between transformational leadership and project success.

2.2.1 Leadership Theory

Leadership has existed and subsequently demonstrated for thousands of years. Mankind has accomplished many incredible things over the years, including the building of the pyramids in Egypt, landing on the moon, and creating the Internet. Undoubtedly, these accomplishments required some form of leadership in order to achieve their main objectives. However, the definition of leadership is still up for debate throughout literature, particularly due to its continuous evolution. The topic of leadership has been examined through academics for several decades; therefore there are multiple definitions throughout literature. Marquet (2014) defines leadership as “Embedding the capacity for greatness in the people and practices of an organization, and decoupling it from the personality of the leader”. Leadership is a process that involves: developing a vision for the project/organization, effective communication and support throughout process to ensure achievement of vision, and motivating members through fulfillment of basic necessities and empowerment (Ahmed et al., 2013). Primary roles of leadership include, but are not limited to, mentor, coach, spokesperson, figurehead, negotiator, team builder, communicator, and strategic planner (Dubrin, 2010). Dubrin (2010) further states that leadership is accomplished when goals are met through communication amongst team members. Some of the most essential ways leadership is evaluated is through important elements such as leadership styles, characteristics, behavior, and the environment/circumstance in which leadership is demonstrated. Leaders are
unique in the sense that they are not all the same. They may share common characteristics and leadership styles, however they may not demonstrate in the same manner. Several different factors will determine the leadership style chosen for each particular situation. In many cases, a leader is shaped based on his/her past experiences (Turner and Muller, 2005). Their knowledge and background in a certain area over time will shape them into a leader that they deem most effective based on their experience (Turner and Muller, 2005).

Leadership theories over the past 80 years have shifted from focusing on the individual and their leadership traits, to observing behavioral personal attributes to intellectual exchange and interpersonal relationships (Muller and Turner, 2010). These developing theories are often referred to as the stages of Schools of Leadership (Turner and Muller, 2005). In the 1930’s-1940’s, the trait school was a popular stage that shared the idea that leaders were born and not made. Attention was concentrated on leader traits such as personality, capabilities, and physical appearance (Turner and Muller, 2005). In the 1940s to 1960’s, the behavioral or style stage evolved where adopting certain styles and behaviors can make leaders. The developing theory suggested that leadership could be learned, and it is not a trait people are born with (Turner and Muller, 2005). In the later 1960’s, the contingency school was developed which pointed out that different leadership styles would be appropriate for each different leadership situation. The personal leadership characteristics should match the certain leadership situation or order to be effective (Turner and Muller, 2005). Building on this theory, the visionary and charismatic school further suggests the need for more focus on organizational change (Turner and Muller, 2005). In particular, the two different leadership styles, transactional and transformational, will need to be balanced effectively according to the situation. Transactional leadership will emphasize rewards or bonuses for meeting certain goals, while transformational is concerned with promoting respect and trust, and developing visions (Turner and Muller, 2005). The fifth school emerged just prior to the year 2000 and was known as the emotional intelligence school. The emphasis of this stage is interaction management, and the importance of
emotional capabilities regarding leadership compared to intellectual capabilities (Turner and Muller, 2005). Most recently has been the development of the competence school, which incorporates all the previous schools. Dulewicz and Higgs (2005, cited by Turner and Muller, 2005) were representatives in this school who identified many leadership traits, and clustered them into three competences: Managerial (MQ), Emotional (EQ), and Intellectual (IQ).

### 2.2.2 Leadership vs. Management

It is important to distinguish between management and leadership. It is often assumed that these two go hand in hand, however there is a great distinction between the two. Gillard (2009) provides several differences between the two; management deals with resources, while leadership deals with people, emotions and personalities. Whilst management deals with the present, leadership deals with the future. Lastly, leadership requires a different skill set and knowledge and aims to achieve a different purpose. Cleland (1984) also distinguishes between the two by expressing a leader does the right thing, while a manager does things right. Zulch (2014) suggests that managers have a leadership responsibility, and are specifically chosen for certain projects based on their leadership style. The majority of literature agrees that there is differentiation between management and leadership. However, there is a substantial amount of literature that also suggests these two roles complement each other when combined by project managers (Cleland, 1984). Early research from Davis (1967, cited by Cleland, 1984) pointed out that the planning, organizing, and decision-making by management were inactive cocoons until leadership triggered motivation and empowerment in team members to guide them towards their goals. Ahmed et al. (2013) goes one step further by stating leadership and management are dissimilar to a certain extent, however they are complementary and cannot function without one another in the current competitive environment.
2.2.3 Leadership vs. Soft Skills

It is evident after analyzing various literature studies and academic research that leadership is an important skill for management, and if implemented appropriately and effectively may play a critical role on the success of a project. After reviewing the history and the modern day focus of both leadership and management, similar connections can be drawn.

As already outlined, traditional project management concepts focused on 'hard' skills which included planning, organizing, managing, and monitoring the projects scope, budget, and schedule. Over the years, influencing factors such as complexity and a vast number of failing projects, shifted focus as literature started to identify the importance of 'soft' skills for project management success. Similarly, the early theories of leadership concentrated on the individual characteristic traits. These theories later evolved and discovered there are several different leadership styles, and these can be effective if applied to the appropriate situation and audience. Most recent concepts have identified the importance of emotional capabilities relating to leadership, rather than intellectual capabilities. Based on these discussions, there are many similar characteristics between 'soft' skills and leadership. This has therefore created certain confusion and inconsistency throughout literature. Marando (2012) describes leadership as a trait of 'soft' skills. Whereas Crosbie (2016) suggests 'soft' concepts are skills of leadership. Other pieces of literature use these two terms synonymously. Herein, for the purpose of future analysis, leadership will be assumed as incorporating multiple 'soft' skills as these have been identified as vital skills for leadership.

2.2.4 Transactional Leadership vs. Transformational Leadership

Thus far, leadership is an essential skill for project managers, now it is important to analyze what leadership style is appropriate for certain projects. Burns (1978) was the first to propose the concept of 'transforming leadership' as a relationship that
would benefit both leader and follower through mutual stimulation and motivation. Later on, Bass (1985) would build on Burns (1978) concept regarding transformational leadership where leaders would not only motivate but also provide followers with a captivating vision that would encourage followers to translate their own interest into the organization. This concept was eventually developed into the ‘full range of leadership’ model that contained three styles: transactional, transformational, and laissez-faire (Bass and Avolio, 1994). Laissez-faire is described as a ‘hands off’ style that provides followers with minimal help in satisfying needs. Bass and Avolio (1994) state Laissez-faire belongs to transactional leadership. Therefore, for the purpose of this study, the two-leadership styles; transformational and transactional, will remain the focus.

Transactional leadership has been the traditional model of leadership and can be summarized as the concentration of processes and the task related exchange of actions and rewards between manager and employees (Bolden et al., 2003)(Muller and Turner, 2007). Not only do employees obtain rewards for worthy performance, they may also receive threat or discipline for unsatisfactory performance (Bass, 1990). Moreover, in most cases there is an underlying assumption that the rewards or incentives are worthy enough for employees to stay motivated and focused on current path towards objectives. Setting clear objectives, establishing standards, and evaluating work are essential transactional characteristics that are required of leaders in order to succeed, therefore Avolio et al. (1999) suggests transactional leadership is a necessity in leaders skill set. Covey (1992, cited by Bolden et al., 2003) describes transactional as supporting the structures and systems that strengthen the bottom line whilst maximizing efficiency. Bass (1990) further states that in many cases the use of transactional leadership alone can lead to mediocrity, especially when the leader is relying on passive management-exception. Gill (2011) elaborates on the management-by-exception as he divides this practice into two forms: passive and active. “Passive” refers to a leader that sets objectives but only intervenes or take action when things are not going as planned or tasks are not being met (Bass, 1990). “Active” refers to following monitoring errors and
correcting them and consequently enforcing rules (Gill, 2011). Another issue that may arise when using transactional methods is the improper use of rewarding or punishment based on performance. In order for followers to stay enthused and motivated, incentives must be admirable enough to generate good work. Conversely, the punishment for poor performance must instill enough fear that produces for motivation towards performance (Bass, 1990). Transactional behaviors also tend to use closed or leading questions during interactions with members, which can possibly run the risk of attaining compliance rather than commitment (Bennis and Biederman, 2010; cited by Gill, 2011).

Contrary to transactional leadership, Transformational leadership emphasizes people’s motivations, beliefs, behaviors and opinions whilst providing a vision that will satisfy their needs (Tyssen et al., 2014). This leadership is said to occur when both leader and follower increase one another’s motivation and sense of higher purpose (Gill, 2011). Similarly, Burns (1978) also suggests there is a mutual stimulation that may transform followers into leaders, and leaders into moral agents. Transformational leaders are not primarily focused on performance; they also enhance development, which increases the growth of abilities, attitudes, motivation, and values of people. This will inevitably optimize the skill and capabilities of people, which will certainly strengthen performance throughout the organization (Bolden et al., 2003). Burns (2010) also states that transformational leadership demonstrates charisma and provides a shared vision between leader and followers. Charisma is a trait that arises constantly throughout literature while examining transformational leadership. As a transformational leader, attaining charisma in the eyes of followers is critical to achieving success. Charisma forms trust among leaders and followers, which will enhance confidence and inspire members to achieve exceptional things with extra efforts (Bass, 1990). Charisma is one out of the three components Bass (1990) breaks transformational leadership into. Intellectual stimulation is another component, which promotes confidence and encourages members to rationally formulate decisions and solutions to challenges on their own. The third element is individual consideration, which ultimately treats
employees individually and provides personal attention through guidance (Bass, 1990). Conversely, various researchers suggest that charismatic leaderships can carry a negative side, which may occur if the leader takes advantage of the relationship established with members when their personal goals diverge from those of the organization (Shamir et al., 1993). Subsequently, it has been noted that charismatic leadership deviates from transformational leadership because it neglects the possible harmful side of charismatic leaders (Weber, 1947; cited by Tyssen et al., 2014). Communication has been expressed in academics to be one of the most important skills a leader can demonstrate. In order for managers to effectively implement strategies, decisions, and link values, strong communication skills are required (Zulch, 2014). It has been suggested that leaders who communicate poorly, are not actually leading at all (Clutterbuck and Hirst, 2002; cited by Zulch, 2014). Regarding communication, Aga et al. (2016) indicate that communication should not only be a one-way street from leader to followers. Transformational leadership promotes two-way communication that will increase the exchange of information among project team members, which will unequivocally enhance project performance (Aga et al., 2016).

Upon reviewing the characteristics of these two leadership styles, some similarities can be made regarding the ‘soft’ and ‘hard’ skills of project management and transactional/transformational leadership styles. As outlined earlier, management deals with planning, organizing and controlling, and is based on exchanges between leader and followers otherwise known as ‘transactions’ (Kotter, 1990)(Gill, 2011). Contrarily, the foundation of leadership encourages ‘transformation’ through charisma and values (Turner and Muller, 2005). Therefore, based on the characteristics of ‘hard’ skills we identified earlier, we can draw the connection that transactional leadership represents the ‘hard’ skills of management, whereas transformational leadership represents the ‘soft’ skills of management.

2.2.4.1 Applying Transactional and Transformational Leadership Styles

An effective leader is said to be one who can adapt to situations and perform the
appropriate leadership style for different circumstances (Zulch, 2014). It has also been suggested that the procedures, competency profiles, and leadership style of project management will differ depending on the type of project, in particular its level of complexity (Muller and Turner, 2007). Thus, deciphering which leadership style is appropriate for certain projects must be explored.

Transaction leadership has been identified to be effective for certain projects based on its characteristics. Moreover, transformational leadership is recommended in projects that involve change and uncertainty (Muller and Turner, 2010)(Bass, 1990). Regarding these two leadership styles, there is an abundant amount of literature that suggests these styles are effective if implemented in the appropriate circumstances. Pawar and Eastman (1997) express that in situations that include relative goal stability, administrative management is appropriate which represents a transactional leadership style. Additionally, transactional leadership is most effective when project goals are vivid with limited uncertainties, and project members responsibilities have been clearly outlined (Tyssen et al., 2014). Transformational leadership is proposed to be applicable in projects that involve longer timelines. Projects with a longer duration allow leaders and followers to form a strong relationship. The characteristics of transformational leadership will provide intellectual stimulation and inspire members to solve problems amongst themselves. This will expectantly result in project members articulating solutions from uncertainties and challenges that arise (Rafferty and Griffin, 2004; cited by Tyssen et al., 2014).

2.2.4.2 Implementing Multiple Leadership Styles

It has been identified that both transformational and transactional leadership are effective in projects when implemented correctly. However, the next question that requires investigation is whether or not these styles can be used simultaneously during a project. As previously described, projects come in all different sizes with varying complexity. Projects have different phases, subordinates, and departments therefore, the combination of both skills during different stages may be very
When Burns (1978) presented transformational and transactional leaderships they were considered one continuance each at opposite ends of the latter. They were considered two separate leadership dimensions from early studies based on their independent appearances (Avolio et al., 1999). Moreover, Burns study suggested the same person could not achieve these two behaviors (Burns, 1978). Contrariwise, Bass (1985) disagrees and expresses these behaviors can be displayed simultaneously. Bass and Avolio (1993) later solidified Bass’s (1985) theory by presenting evidence that displayed a positive correlation between these styles of leadership demonstrating the most effective leaders exhibit both transactional and transformational leadership styles simultaneously. Judge and Piccolo (2004; cited by Lai, 2011) conducted an extensive study that identified a link between effective leadership and all elements of transformational leadership, including a single component of transactional leadership, contingency reward. Based upon the study of the 'Multifactor Leadership Questionnaire', these results found that all leaders exhibit characteristics of both transactional and transformational skills, yet they display more of one skill and less of the other (Avolio and Bass, 1991; cited by Bass, 1999). Many researchers agree that the best leaders are able to combine both transformational and transactional leadership skills (Tyssen et al., 2014)(Waldman et al., 2001; cited by Bass, 1999). Concerning project management, this report finds Bass’s (1985) theory to be most valid, suggesting that these behaviors can be established together. Bass (1999, pp. 21) further states that “Transformational leadership adds to the effectiveness of transactional leadership; transformational leadership does not substitute for transactional leadership”. As transactions are the root of leadership, leaders who demonstrate transformational leadership behaviors do not dismiss transactional skills, but rather enhance these transactions with behaviors of transformational leadership (Yukl, 1998; cited by Turner et al., 2002). Building on this notion, it has been noted that a strong foundation of transactional skills is required for a transformational leader to be effective (Martin, 2015). Transactional leadership is suggested appropriate when the environment is
predictable and calm, however when the environment becomes hectic and variables begin to change rapidly, particularly affecting technological and operational methods, transactional leadership may become damaging (Martin, 2015). Therefore, it is suggested that transformational leadership is more appropriate in projects with a high degree of novelty, also referred to as complexity (Tyssen et al., 2014)(Turner and Muller, 2005).

2.2.5 Complexity vs. Transformational Leadership

Complexity as it pertains to projects within project management was examined earlier in this report. It was identified that the higher the complexity the more uncertainties may arise. It is critical for project managers to be able to handle these situations that involve constantly changing environments with many phases and variables. Therefore, the leadership role of project managers whilst managing complex projects requires further analysis.

Leading complex projects will require a different approach than managing a simpler project simply because of all the extra factors involved. A study identified that when leaders and followers fully understand and share a mutual understanding about processes and decisions being made, overall performance is enhanced. Therefore, it is expressed that leadership in complex projects requires effective distribution of mental models and information throughout the whole project (Remington, 2011). It has also been suggested that it is more important for leaders to clarify the processes rather than concentrating on the outcomes. (Plowman and Duchon, 2008; cited by Remington, 2011). Thomas and Mengel (2008) propose that some of the competencies required for project managers include shared leadership, communication, emotional intelligence, social competence, and a significance in delivering vision, value, and beliefs. These competencies fall under the category of transformational leadership (Aga et al., 2016)(Muller and Turner, 2007).

Several researchers have agreed that the more uncertainties and change involved, the more transformational leadership qualities are required (Waldman et al,
There are several indicators that can determine how measure project complexity. Many of these indicators represent negative effects on projects that will need to be managed and monitored. As mentioned earlier, uncertainty is an element of complexity that can provide major challenges during projects. Uncertainty can occur when information is scarce or insufficient, or when the details are dense and unpredictable, which may lead to a lack of confidence in the appropriate knowledge members have or believe they have access to (Remington, 2011). Trust may be negatively affected from followers and their leader based on a lack of confidence resulting from uncertainty. When confidence declines, it has a damaging impact on the culture of the organization and results in a loss of trust between people who the project depends on (Remington, 2011). Complexity also leads to non-linearity, which is referred to as multiple complicated pathways, which produce unclear objectives, methods, and processes (Bakshi et al., 2016) (Remington, 2011) (Baccarini, 1996). Several studies have acknowledged that group communication tends to decrease in higher complex environments (Roberts et al., 2004). Communication will inevitably be essential in projects with greater complexity due to the higher number of people, elements, phases, etc. (Muller and Turner, 2007). Therefore, insufficient communication may be a significant factor for project failure. Roberts et al. (2004) suggest that group involvement on a project has a positive relation with group performance. However, it has been identified that group involvement diminishes in complex projects. Other negative effects noted throughout literature regarding increasing complexity include a lack of commitment, diminishing motivation, and a decrease in overall team morale (Tyssen et al., 2014) (Roberts et al., 2004) (Remington et al., 2009).

Upon reviewing the effects complexity has on projects, in particular project teams, it is apparent that these effects could provide many encounters for project managers. However, after evaluating literature on the characteristics of transformational leadership, it would seem plausible that if these transformational skills were implemented effectively they could combat the challenges developed from complexity.
Chapter 3: Findings, Discussion, and Further Implications

Hitherto, an extensive amount of academic literature containing past and present theories together with concepts relating to project management and leadership has been reviewed. Comparison and analysis of these theories through extended research will be formulated into findings by applying them towards the outlined objectives to determine if a positive relationship exists between project management leadership and project success.

3.1 Chapter 2 Findings and Discussions

In chapter 2, literature was explored that focused on the role of project management whilst also assessing academic viewpoints regarding traditional management. Most literature agrees that project management practices originated in the 1950’s, and were generally concerned with the initiating, planning, executing, monitoring, and controlling projects (Alias et al., 2014)(PMI, 2013). Moreover, these functions are referred to as the ‘hard’ skills of project management (Alias et al., 2014). However, through secondary data it was uncovered that researchers have identified the alarming number of projects still failing and identify the rise of complexity as a contributor to these failures (Saynisch, 2010).

Although not all literature agrees on a specific definition of complexity, most research studies would agree that complexity might provide uncertainties and challenges for project managers (Remington, 2011). There are researchers who suggest complexity has been around forever, and is merely only an issue of ‘mediocre’ managers who are unable to efficiently handle these situations (Laufer et al., 1996). However, this report agrees with studies that have identified the more recently driving factors of complexity (globalization, population growth, technological advancements, etc.) and the increasing challenges these present to project managers (Globalization 101)(Norris, 2015)(Saynisch, 2010).
Section 2.3 analyzes the shifting focus in project management that is inspired by the continuously evolving environments of projects and their increase in complexity (Alam et al., 2007). Upon reviewing literature regarding traditional project management and the rise of complexity, it has been identified that traditional ‘hard’ skills alone will not suffice. Larger projects contain more subordinates, phases, departments, people, etc., therefore making it more challenging to translate vision and beliefs across the entire project (Baccarini, 1996). Therefore, contrary to ‘hard’ skills, these findings determined that ‘soft’ skills that include employee engagement and intangible people skills would be effective in larger projects (Gillard, 2009). It is important to note that this report does not dismiss the use of ‘hard’ skills in complex projects, but evaluations have determined this skill alone is unlikely to prove prosperous.

3.2 Chapter 3 Findings and Discussions

Chapter 3 explored a widespread of literature regarding the evolution of leadership theories and it’s relation to project management. One of the findings this report identified was the similarity between the evolution of project management and as well as the evolution of leadership. Leadership concepts first focused on the individual traits, then later evolved towards observing personal attribute traits and intellectual exchanges (Muller and Turner, 2009). Likewise, project management shifted focus from ‘hard skills’ to ‘soft skills.

Section 3.2 the roles of leadership and management are discussed and based on this research, this report identifies that leadership and management as two distinct functions, however, when combined leadership enhances management (Cleland, 1984). It has been recognized that if a manager provides a clear scope and objectives, whilst implementing effective leadership skills, this will inevitably increase the probability of project success. This report agrees with Hauptfleisch and Siglé (2004; cited by Zulch, 2014) as they state project managers require leadership skills and not just basic management functions. Projects that are straightforward or
less complex still deal with people and their emotions and the environment of the project will inevitably influence project members emotions and motivations towards the project. Effective leadership that engages members and inspires intellectual stimulation may encourage optimal performance and thus lead to increased project success.

A connection was also determined relating to the hard/soft skills of project management and two styles of leadership, transformational and transactional. ‘Hard’ skills of project management and transactional leadership have been demonstrated here to contain similar characteristics referred to as “transactions” or “exchanges”. Whereas ‘soft’ skills and transformational leadership contain interpersonal skills focused on member engagement and motivation through empowerment. Efficient implementation of the ‘soft’ skills of project management and transformational leadership skills has been determined to have a positive effective on project members’ performance, therefore having a positive relationship with project success (Gillard, 2009).

There is an extensive amount of research regarding transformational and transactional leadership as it pertains to project management. There is plenty of discussion amongst professionals debating which style is most effective in different situations. Several studies believe one leadership style should be demonstrated for certain projects, whilst other findings indicate both leadership styles should be implemented simultaneously (Zulch, 2014)(Muller and Turner, 2007). After reviewing the literature concerning these two concepts, this report has found that efficient implementation of both leadership styles is most effective for project success. Herein, it is recognized that transactional leadership is essential in any project as it provides project members with roles and task clarifications (Turner and Muller, 2005). The relationship between the ‘hard’ skills of project management and transactional leadership has already been established and in this instance the ‘hard’ skills provide the objectives of the project relating to scope, budget, and time (PMI, 2013). These concepts provide a solid foundation for projects.
Transformational leadership skills can then be implemented to enhance project performance by empowering and inspiring team members to perform tasks to the best of their abilities. Notwithstanding, this report has also found that certain projects should demonstrate more of one leadership style than the other, depending on the type of project. For smaller, straightforward projects with minimal uncertainties, it has been suggested that transactional leadership will suffice. Nevertheless, this report has identified that for these types of projects transactional leadership style can be demonstrated the majority of the time, however transformational leadership should be applied at some point. When managing projects, managers are dealing with people. People are not like machines, or robots; they contain emotions, which can alter motives and ultimately performance. Even in projects with clear goals and motivating rewards, transformational leadership has been identified essential to all projects as it not only concerns motivating members, but also developing skills for future projects. Additionally a relationship between complexity and leadership has also been demonstrated, it has been identified throughout several pieces of literature that transformational leadership is most appropriate when dealing with the challenges that arise from complexity. A visual illustration is demonstrated regarding the level of complexity and the suggested approximate amount of leadership style is represented in Appendix A.

The evidence that has produced these findings can be determined by investigating the negative effects of complexity and the characteristics of transformational leadership. Whilst exploring and evaluating the undesirable effects complexity can have on projects, it was identified that the skills of transformational leadership could reduce or manage these challenges. Section 3.5 recognized several of the challenges that project management will endure as a result of increased complexity. There are 6 main transformational leadership skills and behaviors, identified throughout the literature as essential for controlling these issues that require further elaboration:
Communication

Communication can be described as the lifeblood of projects, and effective communication is commonly cited as a vital factor for major project achievements (Marjosola and Takala, 2000). The Project Management Institute conducted a study that discovered efficient communication techniques resulted in 80% project success rate with respect to delivering projects on time, within budget, and meeting objectives (PMI, 2013; cited by DuBois et al., 2015). Transformational leadership has been recognized as promoting effective two-way communication that allows information to be exchanged and shared throughout the entire project (Muller and Turner, 2007). This is particularly essential in projects with higher levels of complexity. Roberts et al. (2004) expresses that communication tends to decrease within complex projects. However, the application of transformational leadership skills will influence communication throughout team members, avoiding a decrease in member interactions (Yang et al., 2010)(Muller and Turner, 2007). Communication also constantly reinforces project goals and methods that may diminish with increasing complexity (Remington, 2011).

Charisma

Referred to in literature as the central factor of transformational leadership (Tyssen et al., 2014). Studies have confirmed that charismatic leadership boosts follower's motivation and commitment, especially in times of uncertainty (House and Aditya, 1997; cited by Tyssen et al., 2014). Charismatic leaders apply their personal abilities in order to transform followers' values by constructing a sense of importance and significance to tasks (Marjosola and Takala, 2000). Furthermore, the charismatic leader is suggested to be more engaging in the development of professional growth through coaching, role modeling, and guidance to followers (Remington, 2011). Therefore, effective application of this transformational leadership skill charisma would increase the negative effects of decreased motivation and commitment of project members resulting from complexity.
Inspirational Motivation

The behavior of transformational leadership is effective for inspiring followers by enthusiastically translating the vision and goals of the project through empowerment and motivation. A stimulating image is presented representing what may be accomplished if all members are fully engaged and work together towards common goals (Bass and Avolio, 1994). The focus of transformational leadership emphasizes project members and their beliefs and motivations, and provides a vision that will satisfy their needs and desires (Tyssen et al., 2014). Consistent inspiration and engagement with project members will have a positive effect on member’s emotions, which will increase personnel’s commitment and motivation, leading to greater performances (Bass and Avolio, 1994).

Intellectual Stimulation

Transformational leadership triggers intellectual stimulation by encouraging project members to approach challenges in non-traditional ways and formulate solutions with creativity (Bass and Avolio, 1994). Intellectual stimulation encourages members to approach challenges with confidence and seek alternative methods to solve issues. Encouraging people to question traditional methods and articulate solutions based on their own knowledge provides project members with a sense of meaning, and strengthens their personal attachment and emotional sense of belonging to the project (Avolio et al., 1999)(Tyssen et al., 2014). Therefore, based on the characteristics of complexity, it has identified here that intellectual stimulation is especially important in complex environments where it is essential for people to have the capabilities to solve issues and manage uncertainties as they develop (Tyssen et al., 2014).

Individualized Consideration

As identified earlier in this report, increasing complexity produces more uncertainties and challenges. They may contain more people, subordinates, departments, etc. (Baccarini, 1996). Therefore, it is evident that proper knowledge
and capabilities amongst project members is essential in completing project tasks efficiently throughout the project life cycle. Transformational leadership considers and treats project members as individuals, having different needs and abilities than other group members (Bass and Avolio, 1994). This individual consideration from leaders takes the time to teach and develop people’s skills and knowledge (Bass and Avolio, 1994). Developing and strengthening project members skills will enable problems to be solved and assignments completed efficiently by applying the appropriate knowledge with confidence.

**Flexible/Adaptive**

In environments with increasing complexity, project managers will need to use their skills and knowledge to manage the inevitable changes whilst keeping the project aligned with overall project objectives (Chin, 2004). Flexible and Adaptive leadership is described as appropriately adapting to situations that involve unexpected change (Yukl and Mahsud, 2010). Project risks are elements of complexity and can cause disruption to normal operations, which may result in project delays, overspending, inadequate results, or safety hazards (Raz, 2002). Therefore, the need to adapt to unexpected disruptions quickly and efficiently is critical, and will inevitably be demonstrated from leadership. Transformational leadership behaviors influence the distribution of information and responsibility throughout the project, which provides members with the appropriate tools and confidence to manage these disturbances as they arise (Tyssen et al., 2014).
Table 1 – Displays the negative effects of projects with high complexity and the transformational leadership behaviors/skills most appropriate to combat these issues

<table>
<thead>
<tr>
<th>Complexity Effects on Projects</th>
<th>Transformational Behaviors/Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PROBLEMS</strong></td>
<td><strong>SOLUTIONS</strong></td>
</tr>
<tr>
<td>Uncertainty (1)</td>
<td>Communication, Intellectual Stimulation, Flexibility/Adaptability</td>
</tr>
<tr>
<td>Lack of Trust (2)</td>
<td>Communication, Inspirational Motivation</td>
</tr>
<tr>
<td>Decrease in Confidence (3)</td>
<td>Individual Consideration, Inspirational Motivation, Communication</td>
</tr>
<tr>
<td>Non-Linearity (4)</td>
<td>Communication, Intellectual Stimulation, Flexibility/Adaptability</td>
</tr>
<tr>
<td>Loss of Commitment (5)</td>
<td>Charisma, Inspirational Motivation</td>
</tr>
<tr>
<td>Diminishing Communication (6)</td>
<td>Communication</td>
</tr>
<tr>
<td>Decline in Team Morale (7)</td>
<td>Inspirational Motivation, Individual Consideration</td>
</tr>
<tr>
<td>Lack of Motivation (8)</td>
<td>Charisma, Inspirational Motivation, Individual Consideration</td>
</tr>
</tbody>
</table>


Therefore, after evaluating and discussing the findings that have been identified through extensive research, concerning the overall aim of this report, it has been determined that there is a positive relationship between transformational leadership and project success. Moreover, it is important to acknowledge that transactional leadership behaviors are more appropriate for projects that contain more stability and are considered to have low complexity. However, it is recommended that transformational leadership should be exhibited at some point as projects deal with people and their emotions, which are not always predictable (Blomme et al., 2015). A study determined that 90% of small organizations fail within the first ten years of existence, and it is suggested that poor leadership and management skills are the cause (Valdisseri and Wilson, 2010). Smaller projects rely
on strong leadership to influence employees to achieve goals. A lack of employee empowerment may create unsatisfied employees that can result in members not working together to achieve objectives (Valdisseri and Wilson, 2010). Additionally, transformational leadership characteristics influence the development of project members knowledge and skills (Bolden et al., 2003). Therefore, project members will be more prepared and equipped to deal with any uncertainties or complexity issues that may arise in stable environments. Furthermore, it was identified that the skills and behaviors of transformational leadership are extremely essential to manage the challenges that arise from projects with increasing complexity.

3.3 Further Implications

Now that it is been established that transformational leadership is a critical factor for the success of projects, the question still remains as to how this style of leadership can be applied to project management? Can all managers demonstrate this style of leadership? Can this leadership style be learnt? Or is it something people are born with?

Earlier in this report the evolution of leadership theories and concepts was examined. Early studies conducted around the time period 1940s suggested that leaders are merely born and not made (Muller and Tuner, 2005). However, later studies disputed these theories and identified leadership skills can be learnt and characteristics can be observed and adopted (Bass, 1990). This report agrees with these later theories, therefore recommending that current project management practices should strongly emphasize the education of transformational leadership skills required for project managers.

It is suggested that the project managers of yesterday need to be revolutionized and learn the power of leadership through motivation and inspiration (Tyssen et al., 2014). In order for projects to survive in the 21st century, it is essential to produce a new generation of leaders, not managers (Tyssen et al., 2014). The role of project manager contains several functions and responsibilities that should be imitated in
educational programs. However, the majority of universities focus on the technical skills, such as the iron triangle (time, cost, quality), as these technical skills are simpler to educate than more difficult areas such as ‘soft’ skills (Pant and Baroudi, 2008). One of the most popular guides for project management, the PMBOK provides evidence that supports the lack of emphasis on interpersonal skills in projects. The PMBOK recognizes that projects require strong leadership and team building is important, however this area is very minimal and lacks depth (PMI, 2013)(Pant and Baroudi, 2008). Additionally, when considering the increase in complexity in projects, many researchers agree that educational programs are not preparing students well enough to deal with the types of environments they will be facing when they leave the classroom (Thomas and Mengel, 2008). There appears to be very little training that involves the development of emotional and spiritual intelligence that will be necessary in high complexity projects, therefore managers may be lacking essential skills in order to manage complex projects. (Thomas and Mengel, 2008). It is recommended that educational programs need to implement a balance of ‘hard’ and ‘soft’ skills into their training and acknowledge the significance of integrating human skills into the program (Gillard, 2009).

It has been mentioned that the ‘soft’ skills of management are more difficult to teach than the technical skills. However, a large amount of literature agrees developing the abilities of this skill is attainable (Bass, 1999). Training has been suggested to examine trainees and identify what their personal perceptions of leadership theories include (Bass, 1999). Based on what research identifies, appropriate individual programs or teaching methods can be applied in order to educate learners (Bass, 1999). There are current programs that have been implemented in project management education such as the “Full Range Of Leadership Development” (Bass and Avolio, 1998; cited by Bass, 1999). This particular training program has achieved positive results. However, there is still a majority of educational programs that purely focusing on the technical skills of project management. It is evident that there is a need for more training and educational programs that focus on the interpersonal skills of management. Therefore, this report suggests an emphasis on
modern-day training programs that provide a balance of ‘hard’ and ‘soft’ skills of management.

3.4 Limitations and Implications for Future Research

Due to ethical constraints, the research conducted throughout this report was based exclusively from secondary research. There is an extensive amount of research pertaining to project management and leadership theories that have provided this report with adequate findings and recommendations. However, applying primary data would provide more substance towards achieving the overall aim. Therefore, future recommendations for research suggest conducting and applying primary data. Additionally, there is a vast amount of research regarding leadership theories and behaviors. However, there is a lack of research that focuses on the connection between leadership behaviors and project success. One of the challenges linking leadership to project success is the difficulty in measuring leadership. Leadership characteristics are most often intangible, thus making it more challenging to evaluate. Furthermore, this report determined transformational leadership was proven to be most effective in complex situations. However, defining complexity and determining the severity of complexity is still not fully agreed upon throughout literature. Thus, this report assumes that transformational leadership should be applied when complexity rises. If future studies could identify at which exact moment transformational leadership skills should be emphasized, it would be very beneficially for the education of project management.
**Chapter 4: Conclusion**

The overall aim of this research was to determine whether transformational leadership demonstrated by project management was a critical factor for project success. In order to formulate a conclusion to attain this goal, an in-depth investigation of objectives has enabled the articulation of a final assumption.

The first objective of this report was to evaluate the role of project managers. Traditional project management consisted of traditional ‘hard’ skills associated with the planning, processes, and monitoring of projects. However, a shift of focus in project management has been established, influenced by increasing complexity in projects and their continuous rate of failure. Therefore ‘soft’ skills that contain interpersonal skills should be implemented to effectively manage issues that occur from complexity. The use of only ‘hard’ skills is considered inadequate for projects; therefore combining both ‘hard’ and ‘soft’ skills is most efficient.

The second objective was to explore leadership theories and concepts as they relate to project management. Leadership has been recognized as an important skill for project managers. The transformational and transactional leadership styles have been associated with project management, and share similarities relating to ‘hard’ and ‘soft’ skills. Comparably, effective balance of these leadership behaviors are required depending on the degree of project complexity. In projects with high complexity, it has been determined that transformational leadership is a necessity. Moreover, projects that are stable and simple should also exhibit transformational leadership as projects contain people and their emotions, which are not always predictable. Furthermore, transformational leadership encourages and enhances the development of people, which will inevitably prepare project members to manage unexpected disruptions that may arise in stable environments.

In conclusion, based on literature finding and discussion, this report has identified that there is a positive relationship between transformational leadership and
project success. Furthermore, the ideal project manager will effectively balance the use of transactional and transformational characteristics, depending on the type of project and the level of complexity.

Final word count until this point: 10,971
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Appendix A

Appendix (i)

A visual illustration demonstrating the types of leadership styles required for varying levels of project complexity.

(1) Low Complexity

- Transactional Leadership
- Transformational Leadership

(2) Medium Complexity

- Transactional Leadership
- Transformational Leadership

(3) High Complexity

- Transactional Leadership
- Transformational Leadership