# A Theoretical Perspective on Leadership Development in the Construction Industry

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#### **Abstract**

The construction industry is one of the largest industries in the world and in order to stay competitive, construction firms must find a way to train their employees to become competent leaders in their specific disciplines. It is to this end that the study presents a theoretical framework relating to leadership development in the construction industry, with the specific aim of outlining the importance of good leadership skills. The study is conducted with reference to existing theoretical literature on leadership requirements for the construction industry. Findings show that it is essential to give low-level employees new experiences and responsibilities to engender appropriate leadership attributes in them. Findings also reveal that good leadership is essential to the success of the construction industry. Hence different leadership development strategies were also discussed. The study explores leadership and leadership development in the construction industry and it further highlight's the theoretical literature with regard to leadership. The study presents a robust background on the construction industry and the importance of construction leadership. Lastly, a great insight on how leaders can be development was outlined.

**Keywords**: Construction industry, leadership, project management, leadership development, development strategies.

#### Introduction

Leadership is one of the most important and essential factors in good project and construction management, and leadership can be seen as the art of influencing others to achieve desired results. According to Walker (1999), leadership is defined as the manner in which the project leader conducts themselves in their role, in order to obtain the best performance from the people they are leading. However, leadership development remains an important aspect in the construction industry, furthermore in the light of globalization and advances in technology, there is a pressing need for a new breed of construction industry leaders. Moreover, features of the construction process and construction projects render leadership even more essential. Thus, the need for effective leadership in construction is even more important. The leader is responsible for the performance of their team and the achievement of their goals. However the construction leader, who has good,

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high skills, can alter and modify their approach to overcome backsets and guarantee success (Suresh et al., 2009). The term leadership will be defined in detail in the paper but leadership development can be defined as the act, process, and result of expanding by a process of growth (Price, 2009) The paper focuses on leadership and leadership development in the construction industry followed by the presentation of the methodology and the findings from literature before conclusion and recommendations are drawn.

## **Leadership in Construction**

According to Odusami (2002), leadership is a key factor for success in any activity that involves collaboration among a group (or groups) of people. In construction, leadership is even more essential. Munns and Bjeirmi (2001) emphasise that the success or failure of construction project management is highly dependent on the project leader. Chinyio Ogunlana, (2008) found that effective leadership in construction projects can aid in harmonizing their goals and preventing conflict. Despite this recognition that leadership is important at all levels of the construction industry, emphasis is placed on the technical aspects, as well as management however leadership still receives inadequate attention (Skipper & Bell, 2006). Many studies in developing countries show that both business and project failures are common in construction. Moreover Ofori (2012) cited several failures in construction. He noted that the construction industry has been the subject of ongoing criticism for its fragmentation and poor record on quality, waste, financial claims, safety and efficiency. Much more to this failures one can further say that part of the cause is ineffective leadership. Thus it is important to know more about good leadership development in the construction industry.

## **Leadership Traits in the Construction Industry**

Jarad (2012) stated that, the true task of leadership involves the ability to make change happen. Although multitudes of research have been done on what makes an effective leader, there appears to be no guaranteed consensus. Essentially outstanding construction leaders become a fine balance between traits, abilities, behaviors, sources of power, and aspects of the situation. Leadership traits should build on the basic management skills by adding motivation and advanced problem solving skills. Moreover different leadership traits would be appropriate for different types of project. Leadership traits of the construction project leader are important to push team members to pass their own self-interests, then their performance will be enhanced. Bass (1990) suggested that the elements of leadership trait are drive; desire to lead; honesty and integrity; self-confidence and knowledge of the business (Ogunlana, 2008).

## **Leadership for Good Project Performance**

A great leadership element is essential for effective project performance in a typical project environment where a high degree of uncertainty is confronted with the cost, schedule and scope changes of a project. According to Wysocki (2007), the project leader should have five skills: experience, leadership, technical capability, interpersonal competence, and management skill. Whereas, Gray and Larson (2008) stated four important skills for good project performance by a project leader, it includes: task oriented, inspiration and good employee relationship. Lastly, Bass (1990) stated that an effective project manager exhibits both transactional and transformational leadership behaviors. Transactional leadership considers the leader and follower interacting through a reward and punishment criterion,

where the employee will seek rewards and recognition for adherence to the wishes of the project leader while he may be reprimanded for acting in manners contrary to the directions (Bass, 1990). Whereas, the transformational leader seeking to inspire their followers through emotional stimulation and personal characteristics, such as charisma and motivation (Bass, 1990).

## **Leadership Development in Construction**

Allen and Roberts (2011) states that "leadership development is a continuous, systemic process designed to expand the capacities and awareness of individuals, groups, and organizations in an effort to meet shared goals and objectives." And indeed, there is a need to develop leadership in the construction industry. Nowadays, the construction industry faces difficult environment of socio-economic, cultural, political, and business challenges. Therefore, effective leadership interventions should help to accelerate and overcome the challenges, moreover to develop new leadership (Toor & Ofori, 2008). The industry will be more successful if we can develop leaders who can have an understanding of skills, knowledge and characteristics needed of an effective project leader. Moreover, certain construction companies have now considered the importance of developing its employees for improving their competitive and dynamic abilities. Much more to the project leader in the construction industry, it is important to develop the originality, initiative, leadership and ethical standards. In addition to insuring good problem solving techniques, decision making method and technical competencies.

Development of leadership is a trip which requires fixed attention. Either leaders are born or can learn, but modern leaders must take initiative to make tomorrow's leaders. Moreover, leadership training with the emergence of leadership opportunity is the way leadership scholars can make tomorrow's leaders (Bogus and Rounds, 2006). However, the first step in developing a leadership development strategy is to determine why the organisation believes that this is a strategy that should be pursued, in other words, what it hopes to achieve with the strategy, moreover leadership development initiative cannot be successful unless it clearly targets a specific goal (Jarad, 2012). For this reason, the construction industry players need to be very clear about what they are trying to accomplish before implementing any single leadership development strategy (Jarad, 2012). Recent literature has noted that leadership development strategies are transitioning from the idea of teaching skills and competencies to teaching values and concepts (Bennis, 2007). This monumental shift is built on the idea that skills and competencies change from person to person, but the basic values and concepts are more common, leader to leader. This means that leadership development programs must become more personal and unique to individuals. Jarad (2012) observed that there are nine key drivers for the development of leadership skills in UK construction industry, which include long term drivers - developing future leaders, retaining staff, the growth of the company, equip staff for change, and continued professional development, and short term drivers - strengthen teams, motivate staff, increased efficiency, and increase competitiveness.

According to Moore (2006), most leadership development activities can be placed in one of four broad categories of goals. Each requires a different approach in the design of leadership development programmes. The first category is about building counter strength of leadership talent. The second broad category of leadership development goals is about using leadership development to transform the business. A third area of leadership development is just helping leaders become more effective at what they are already doing,

for example by helping leaders become better at managing people. The fourth area of leadership development is to help other low level employees through critical leadership transitions (Jarad, 2012).

Jarad(2012) suggested that the potential sources of leadership development include observing, mentoring or coaching by seniors, reading or self-study, education courses during university, education courses since college, company training, and job experience. Bogus and Rounds (2006) suggested that employees can be better leaders from self-education, attending seminars, reading, watching, experience, and from having active organizational mentors. Further on, Jarad (2012) was of the view that construction firms can develop leadership and management skills by developing a culture of teaching, mentoring, self-study, and frequent job changes. Companies can also use their own professional personnel to offer formal leadership and management training. Thus done correctly leadership development sets the stage for organizational success by empowering employees to develop their skills and competencies, improves retention, provides a foundation for succession planning and for training the next generation of leaders and to focus on how managers lead, develop and partner with their employees (Price, 2009).

## Methodology

The study is conducted with reference to existing theoretical literature on leadership requirements for the construction industry. The study is mainly a literature review and looks at literature relating to leadership, leadership skills and leadership development in the construction industry. Moreover, the concept of leadership in the construction industry has been under researched. The current methodology falls within the qualitative research methodology.

#### **Results and Discussion**

It is evident from the study that leadership is important in the construction industry. This supports the work by Odusami (2002), who states that leadership is a key factor for success in any construction activity that involves collaboration among a group (or groups) of people. Moreover to the construction industry, the leadership concept continues to grow and develop, and perhaps it will never stop evolving as it is psychological, social and cultural in its functioning. It is also important to note that, when there are leaders who have good leadership skills they are prone for success in their construction firms, thus being able to overcome challenges that face the construction industry. According to Wysocki (2007), the project leader should have five skills: experience, leadership, technical capability, interpersonal competence, and management skill. However, there is still the need to develop leadership in the construction industry. In this study, certain methods were identified that can help in the development of construction leaders. This includes the real job experience, watching and observing can also contribute to leadership development. Secondly, mentoring or coaching by senior leaders can help develop the lower level construction employees to be future construction leaders. Moreover, company training is one of useful methods to develop construction project leaders in the construction industry. Thirdly, it is evident from the reviewed literature that leadership educational courses or attending seminars is also a good method for leadership development in the construction industry. However, self-education or reading needs to be an initiative by the aspiring leader.

### **Conclusion and Recommendation**

This paper has examined literature relating to leadership and leadership development in the construction industry. It is evident that good leadership is important to the construction industry and it can increase the leader's knowledge, competitiveness, effectiveness, and interest in the job, and encourage new ways of doing things, that will bring success into construction project. The increased need and focus on leadership in the construction industry makes it a priority for the construction industry to implement leadership development strategies and programs. It is evident from the study that good leadership development strategies and educational programs can ensure that future construction and project managers have developed leadership skills. It is therefore, recommended that the industry should also focus on developing skills and characteristics of low level employees, through proper and continuous training programs which focuses on the leadership. Future research can focus on types of programs and methods that can be used to develop leaders in the construction industry. This study may add to value to the field of leadership by contributing literature to leadership development in the construction industry with the aim of presenting the importance of good leadership skills.

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