DEVELOPING A LEADERSHIP CAPABILITY FOR TEAM LEADERS IN THE CONSTRUCTION INDUSTRY: A CONCEPT FOR ORGANIZATIONAL SUCCESS

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ABSTRACT

Capable leaders are essential to unlock the potential of workforce, in terms of productivity, learning, continuous improvement, quality and customer service. This study was conducted to ascertain the Malaysian construction industry leaders’ conception of leadership capability. One of the mandates of Malaysia’s Construction Industry Development Board (CIDB) is to serve as a gateway for construction industry players to get involved in the international construction ventures, with the aim of enabling them to hold leadership positions in the future; as well as maintaining an open exchange of information with construction leaders worldwide. However, for a better understanding of leadership concepts and leadership skills, construction industry in Malaysia must unleash its potential as a source of wealth creation and provide opportunity for the betterment of quality of life. In ensuring the quality of workmanship at construction sites, leadership skills especially supervisory skill for site supervisors need to be enhanced. Undoubtedly, the role of research in determining the specific leadership skills and the needed core capabilities cannot be over-emphasized. In this study, qualitative research design with in-depth interview was used to collect the data and purposeful sampling was employed in selecting 15 research participants involving team leaders and human resource managers. The data was analyzed using thematic analysis with the aid of NVivo. Effective leadership has been found to be vital element in construction industry. The opinions from the respondents also indicate that they have knowledge on leadership and they had to enhance themselves with the elements in the concept to enable them to become better and more competitive leaders. Leaders in construction industry have a broad knowledge in technical skills conversely have fewer non-technical skills especially in leadership.

Keywords: capability, leadership capability, team leaders, construction industry
1. INTRODUCTION

Organizational success depends on leaders who are willing to make the efforts to develop their leadership capability. Thus, the personal development journey of a TVET graduate does not end upon graduating from their formal technical and vocational education and training programme. Skills and knowledge upgrading must be continued if they were to climb up the career ladder to become leaders in their respective industry. To be good leaders, they need to acquire new sets of skills that they may not be equipped with at the start of their career. One of the most important research areas receiving relatively little attention in particular in the construction industry is leadership. Leadership is often considered as a social exchange process in leader–follower relation. Leadership, further complicated by issues of social and cultural differences, has been found to impose significant impact on the performance of construction projects and is pivotal in determining project success (Chan & Tse, 2003). Capable leaders are more confident and effective in dealing with their often complex and demanding jobs. They display higher levels of job satisfaction, commitment and engagement. Organizations with a strong commitment to leadership and management development find that the returns are positive and high, in terms of organizational productivity, organizational learning, continuous improvement and quality and customer service. In addition, leadership and management development has benefits that extend into the broader community (Callan, 2005). Good leadership also lies in giving attention to the rank and file. A leader should realize that the success of an organization comes from workers who possess specific sets of skills and varieties of expertise. Many studies have been carried out on human skills in project management. Some studies suggested critical skills such as problem solving and good communication for project managers (Cowie, 2003; El-Sabaa, 2001; Strohmeier, 1992) whereas others recommended effective leadership as a critical factor in project management (Keegan & Den Hartog, 2004; Zimmerer & Yasin, 1998; Cleland, 1995). Rowlinson et al. (1993) study on the leadership style of construction managers in Hong Kong revealed that soft skills are of paramount importance in project management. Similarly, Mahyudin and Norrafidah (2010) emphasized the importance of leadership as a soft skill in construction industry.

Other than leadership, the ability of an organization to produce quality services and products is one of the key factors to compete in the international market. Many concepts and techniques have been adopted to improve the standard of services and quality of product. One of techniques is ensuring that organizations adopt quality management systems in all activities of the organizations (Ilias et al., 2006). Team leaders of an organization have the prime responsibility for the quality created by the organization. Only team leaders have sufficient authority, influence, and access to information to begin quality improvements and maintain major organizational change. Leadership affects corporate culture, project culture, project strategy, and project team commitment (Shore, 2005). Therefore, the success of a project can be seen to mainly depend on human factors, leadership and effectiveness of project teamwork. Zhang and Faerman, (2007) argued 80% of project failures are caused by poor leadership including leadership skills, lack of teamwork, weaknesses in communication and inefficiency in problem solving. A locally derived concept of leadership and leadership capability is therefore important in developing tailor-fit leadership development programmes and reliable research instruments that could be used in the Malaysian context. Therefore, the purpose of this study is to ascertain the Malaysia construction industry team leaders’ concept of leadership capability.
2. LEADERSHIP

According to Koontz and Ewithrich (1989), to achieve a leader’s ambition, consideration to encourage the spirit and generate willingness among followers or employee is a must. Leadership is a subject that has long generated interest among scholars and laypersons alike. The terms connote images of powerful, dynamic persons who command victorious armies, direct corporate empires from atop gleaming skyscrapers, or shape the course of nations. The widespread fascination with leadership may be because it is such a mysterious process, as well as one that touches everyone’s life (Gary, 1989). Leadership theories have been based on motivation levels, cognitive factors, personality leadership traits, behavior, empowerment, vision, and the ability to meet followers’ needs (Shriberg & Lloyd, 2002). Leadership is closely related to the ability of a leader to motivate the follower with empowerment and used personality to accomplish vision of the group. Leadership also can be viewed as a phenomenon that requires the process of influencing follower, whereby leaders with good personality and attitude, shares a vision in organization.

Toor and Ofori (2008) argued most of leadership challenges especially in the construction industry are related to the workforce including lack of quality workers, ageing workforce, teamwork, communication, training and education. They further stated that the economic challenges include funding difficulties, uncertain economic conditions and technological challenge include increase of information and communication technology used, technology gap between developed and developing countries and matters of technology transfer need to be studied. Toor (2006) proposed that the construction industry needs to develop individuals who are not only good managers but also have genuine and authentic passion to lead the project. Such leaders are not self-centered and project-stereotype rather they are motivated by the well-being of their subordinates, organizations and society. Avolio and Gardner (2005) believe that continued theory building and systematic testing for existing propositions on authentic leadership will improve the understanding, prediction and application of the positive impact of authentic leadership development. Leadership roles will be shared through teamwork, and the leader position on many teams will rotate. Some organizations however maintain sincere training efforts in engineering, technical, financial, or even management nature, but typically contribute little effort towards enhancing collaboration, teamwork, and leadership. The challenge in construction industry can be faced with a proper training and development designed by the organization.

2.1 Leadership Capability

Effective leadership is best defined as capability, not competencies (Dickson et al., 2007). There are both conceptual and practical reasons for this. Competency implies the bare minimum required to do the job, whereas capability includes competence but also implies the capacity for more. Mintzberg (2004) advocated moving from the traditional managerial language of competencies to leadership capabilities; going beyond functions to mindsets or capabilities of leadership. This approach suggests that while a description of what good leadership looks like is possible; a best practice prescription common to each individual is not. It is universally believed that most individuals can become leaders. Actual leadership has nothing to do with the mastery of rare abilities, but rather the leadership capabilities can be expressed through continuous
learning and real life experience (Babu et al., 2008). Leadership capability refers to essential resources, support and direction from the organization to achieve effective performance. It also implies that the organizations have the processes and systems in place for a leadership process to be executed successfully. Leadership capability is one of the most important indicators for the measurement of leadership (Richard & Jo-Ann, 2007). On the contrary, Callan (2005) claims that leaders are bound to affect performance in the process to contribute to better decisions and indirectly through their impact on wider institutions and policies both at organization and national level. A leader’s role is to promote the personal and organizational changes the required for individuals and their organizations to survive and thrive in global and highly competitive environment. In contrast, capabilities involve making a difference, making people and conditions better; it involves transforming people’s lives. Leaders need to develop their own capabilities and those of others in order to enhance the capability of their organization to flourish in an uncertain environment. Leadership capability is concerned as future knowledge and skill requirements to influence people (Finch-Lees et al., 2005). Capability refers not only to current knowledge, skills, qualities and understanding, but also to an individual’s potential in each of these areas. Individual capability creates organizational capability (Callan et al., 2007).

In particular, modern leadership and management requires individuals to become more focused upon the future, upon innovation and change and the roles of enabler, coach and mentor to both motivate employees and to build both confidence and capabilities to meet these kind of challenge. Bolden et al. (2004) state that there is no single form of leadership capability that enhances performance in the same way in all situations, and no single way in which leadership and management development creates this capabilities. Rather there are many different forms of leadership and management development that can generate many different forms of leadership and management capabilities, which in turn can increase performance in different way. Leadership capabilities are not only with individuals or organizational setting nor it consists simply of the sum total of the capabilities of those within the internal labor market. Important though these are, there is also a collective leadership and management capabilities that affects performance and transcends individual capabilities. There is a policy and practice gap to be filled in the development of collective leadership and management capabilities, and a gap in the evidence based research to steer this process.

3. METHODOLOGY

Qualitative approach was chosen for this study with basic interpretive as a research design. In-depth interview in this research was anchored on two reasons: a) the in-depth interview provided the greatest opportunity to obtain elaborated responses to questions that cannot be answered simply; and b) the in-depth interview allowed the interviewer to see nonverbal behaviour that may indicate how the research participants felt about the given issue. This research, however, took note of the facts that it was nearly impossible to determine exactly how the respondents were going to answer during the in-depth interview, thus providing a unique adventure within each interview.

Interview protocol was used as a guideline and to probe additional answer. It is needed to identify Human Resource Manager and team leaders’ perspectives about the concept of leadership and leadership capability in the construction industry. The interview protocol was
developed as a guideline for researcher before conducting the interview. It was prepared in both languages; English and Malay to ensure better understanding by the respondents and thereby deriving more accurate responses. The interview protocol was designed to ensure that appropriate research questions were covered. Using in-depth interview, it’s enabled the researcher to get a rich and tick description from the respondents. This was done to generate locally derived concepts of leadership skills and leadership capabilities among team leaders in Malaysia construction industry; and to find out if the respondents’ understand about leadership in construction industry. Purposeful sampling was used to select respondents among the human resource department managers and team leaders for the in-depth interview. The primary consideration in purposeful sampling was who could provide the best information to achieve the research objectives. The 15 participants were from Malaysia and work as managers at human resource department and team leaders at construction industry. They were selected from the data given by Construction Industry Development Board (CIDB).

The qualitative data interpretation process used in this research is as follows: 1) organize and prepare data for analysis; 2) read through all data to get the idea and the overall information; 3) begin detailed analysis with the coding process; 4) use the coding process to generate a description of the setting or theme for analysis; 5) advance how the description and themes will be presented in the narrative; and 6) make the interpretation of the data. The transcripts and field notes were examined to ensure that there no information and responses from the respondents will be missed. NVivo was used as a data management tool to helps researcher with the coding, sorting, and retrieval the data. The researcher categorized the data for eventual analysis. Coding or categorizing is the process of examining the raw qualitative data which will in the form of words, phrases, sentences or paragraphs and assigning codes or labels (Strauss & Corbin, 1990). Open coding and axial coding was used in the coding process. The researcher selected the codes surface from the content. The resulting analysis from the coding process was further analyzed following the rigors of recurring theme analysis. Recurring theme analysis, which is one of the most fundamental tasks in qualitative research, on the other hand illustrates the range of the meanings and emphasizes an integrated view of texts and specific contexts. Data interpretation was done to find meaning in the narrative data, which were based on the common aspects and links among the data especially the identified categories and patterns.

4. FINDINGS

The findings of the coding procedures reflect the emergence of the themes. Data collection was through interview using open ended questions. There were 15 participants who are actively participated in this research. Eight of them were human resource managers, who were in top-level management while seven were team leaders, who were in middle-level management in construction industry. Their names and responses were coded in order to conceal their identities. The interviewees defined leadership as the ability to lead and influence Subordinates/followers to achieve organization goals. Good leaders must have ability, knowledge and experiences to manage the team. Good attitude and attribute of leaders affect the team performance in organization. The findings imply that the interviewees understand the concept of leadership. The interviewees described leadership capability as leaders’ ability to be effective in handling the team to complete the project/tasks successfully. Leaders in construction industry have a broad knowledge in technical skills but have fewer non-technical skills especially in leadership. These
signify that team leaders in construction industry need more leadership training and development programme to improve their leadership capability.

The concepts presented by both human resource managers and team leaders showed their understanding about leader capability. As presented in Table 4.1, three human resource manager and three team leaders defined the concepts of leadership as influencing others to achieve the organization goals. Majority of the respondents had the same opinion about this question that the concept of leadership is closely related to the ability and attitude of leaders to manage the team. Most of the respondents explained that a leadership capability is the capability of a leader in handling the project to achieve the company’s objectives. Knowledge and experience were also stated as elements needed to be an effective leader.

Table 1. Team leaders’ concept of leadership and leadership capability

<table>
<thead>
<tr>
<th>Themes</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td><strong>Concept of leadership</strong></td>
<td></td>
</tr>
<tr>
<td>1. Skill and ability</td>
<td>• To be a leader, they need skills and ability.</td>
</tr>
<tr>
<td></td>
<td>• A leader should influence others to have confidence in him/her in order to achieve organization goals.</td>
</tr>
<tr>
<td></td>
<td>• A leader should possess the ability to handle any situation and know how to give direction wisely.</td>
</tr>
<tr>
<td>2. Attitude</td>
<td>• Assertive, discipline, integrity, and effective management.</td>
</tr>
<tr>
<td></td>
<td>• Good attitude with subordinates</td>
</tr>
<tr>
<td></td>
<td>• Innovative leaders are needed to reach the goals.</td>
</tr>
<tr>
<td><strong>Concept of leadership capability</strong></td>
<td></td>
</tr>
<tr>
<td>1. Ability</td>
<td>• Ability to give order/instruction, direction, and ability to work together.</td>
</tr>
<tr>
<td>1. Knowledge and experience</td>
<td>• Leader should have experience, knowledge in the area of work and guide the team.</td>
</tr>
<tr>
<td>1. Attribute and attitude</td>
<td>• Leader must be responsible and willing to take risks.</td>
</tr>
<tr>
<td></td>
<td>• Leader must show good example and be positive.</td>
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</table>

The findings reveal, out of the eight human resource managers, three of them defined leader as one who can guide a team. The rest of them referred to attitude and the characteristic of leadership to describe the concept of leadership. Three of the team leaders shared a common understanding with some of human resource managers on the concept of leadership i.e., leaders are those who guide others in a team. Common understanding of leadership is an important thing for both human resource manager and team leaders because with the understanding about leadership the top-level management, middle-level and low-level management can carry out their responsibilities and duties as leaders effectively. Only two of the human resource managers and two team leaders linked leadership concept with communication skills, which according to them are the main skills required to be a successful leaders. Table 4.1 further indicates parallel statements or responses from the respondents. It shows that human resource managers and team leaders have the same opinion about leadership and leadership capability concepts.
5.0 DISCUSSION

Leadership, according to the research participants, is the conglomeration of an individual’s skills and capability to lead effectively a team of individuals in an organization. They further opined that ability, knowledge and experience, attribute and attitude are essential traits that an individual should possess in order for him or her to become an effective leader. Leadership capability, on the other hand, was perceived by the human resource managers and team leaders as the ability of leaders to influence subordinates with the knowledge and experience, good attitude and desirable leadership skill. Figure 5.1 is an attempt to further illustrate the respondent’s perception of these inter-relationships. The respondents reiterated that an individual should possess the needed leadership skills in order to become effective leader. Ten out of 15 respondents associated the concept of leadership with the skill to lead people. This is consistent with Nye’s (2008) concept of leadership. He defined leadership as one that involves the integration of soft power skills, hard power skills and contextual intelligence skill. Traditional organizational theorists commonly “define leadership in terms of achieving a group’s objectives”.

![Figure 1. Leadership and leadership capability concept](image_url)

The figure also suggested that effective leadership is a function of leadership skills and leadership capability. Krishna and Shodhan (2016) states that leadership reveals the ability of the person to do something based on his talent and skill. Sometimes talent isn’t completely necessary because it is the training, experience and persistence that produce a great leaders. The result indicates that effective leadership is the integration of ability, knowledge and experience, attitude and attribute of team leader. Leaders must have certain personal attributes to be able to perform effectively. These attributes are a mixture of ability and experience, and may require considerable time, effort, and expense to develop. This ability is needed in the practice of leadership principle among subordinates. Dearlove and Crainer (2005) define leadership as good leader behavior that includes personal skills and capabilities. Moreover, Northouse (2007) interprets leadership as a process to influence a group of people by applying leadership knowledge and skills. Knowledge and skills contribute directly to the process of leadership and
can be influenced by leaders’ attributes or traits. Lakshman (2006) further states that conceptually, leadership can be seen as a combination of traits, values, attitudes, and behaviors that affects long-term performance of an organization. Similarly, Ramer (2003), who posited that leadership, is a process to influence others in accomplishing an objective. The process of influencing people needs good leader attributes such as beliefs, values, ethics, character, knowledge, and skills. Good leaders are developed through a never-ending process of self-study, gaining of knowledge, training, and experience.

Furthermore, the respondents posited that experience is one of the important elements in leadership skill. Working experience and leading experience are important to the leaders to assess the leadership capability and these experiences can help them in improving and developing themselves in leadership. DeRue et al. (2012) found that managers who have prior developmental experiences to draw upon and who are conscientious, open to new experiences, and emotionally stable are particularly likely to benefit from after-event reviews. These come out with successful leaders have leading experiences that significantly affect their development as leaders. The successful leaders advocate on-the-job activities that could be used to effectively develop future leaders. The findings of this research are consistent with the results of studies done in business and industry, where it was reported that certain kinds of on-the-job experiences are effective for developing leaders. Thus, it is important for leaders to take advantage of the opportunities they have for using on-the-job experiences to develop and improve the leadership capability of their subordinates. In studying the concept of leadership capability, the researcher made use of three major approaches, namely: a) trait approach; b) style approach; and c) skills approach.

With the aim of further analyzing and interpreting the respondents’ perception of leadership, the researcher made use of Katz’s (1955) leadership skill model. This model consist three different skills set that a leader should have, these are: 1) Technical skills; the knowledge about and competency and proficiency in a specific work or activity, 2) Human skill; one of the enables to work with people. It is different from technical a skill which has to do with. These abilities help us to get along with people and communication and work with teams, and 3) Conceptual skill; abilities to work with ideas and concept. These skills enable individual to understand and better decide the action and measures to be taken in a workplace. The level of importance of each set of skills was directly correlated with the level that the individual has in the organization. This human skill among leaders has the greatest influence on project management (El-Sabaa, 2001). Human skill is important in all levels of leadership. This skill creates an environment of trust where subordinates can feel comfortable and secure, and thus they can feel optimist to become involved in the task given by the management.

In Katz three skills model, as the leader moved to higher ladder of management or closer to more organizational level management the less technical and more human and conceptual skills would be needed. Mid-level managers on the other hand would require a balance of the three skills, technical, human and conceptual skills. Moreover, middle-level leaders are expected to possess sound technical and conceptual skills as they are involved in the higher level decision making and planning and execution of the technical aspects of construction projects. Lower level leaders are responsible in directing the project operations and therefore would need more
technical and human skills. This implies that, human skill is the most important skill needed at any given level of leadership hierarchy.

Medina (2010) pointed out that technical skill is a skill, expertise or technical competence related to the field of the workers, whether engineering or technical. For middle-level leaders and top-level leaders, they do not spend much time in technical functions in their job. Finding from Esa et al. (2015) found that great technical skills and employability skills as an essential component in current job market among engineering workers. Based on Dugan et al. (2014), a strong technical leaders who drive to create an environment that supports innovation and creativity, and bring a breadth and depth of understanding of emerging technologies will help the organization to focus on building technical leadership to meet the strategic imperative of developing of organization to become better.

For leaders at the highest level, conceptual skill is the most critical as they are responsible in charting the future of the organization that would require ability to work with ideas and concepts. A leader with good conceptual skill prefers to share idea and vision of the team to improve the team performance. A leader with conceptual skill is comfortable to talk about the ideas that shape an organization. Conceptual skill is central to creating a vision and strategic plan for an organization (Katz, 1955). Conceptual skill is most important for the top management levels. Conceptual skill is also important in middle-level management. As we move down to lower management levels, the conceptual skill becomes less important. Top level managers play a crucial role in enacting an organization’s vision that will improve the performance of their organization. This conceptual skill helps them to achieve their goals.

The aim of better understanding the leadership and leadership capability concepts is to capture the nature of what makes some leaders in organizations become successful while others unsuccessful (Bolden, 2003). Knowledge about leadership builds the bridges and organizational leadership builds the culture. Common understanding processed by the leaders can be influenced by their attributes or traits such as beliefs, ethics, and character. Knowledge and skills therefore, contribute directly to the development of leadership, while other attributes give the leaders certain characteristics that make each of them unique. The concept of leadership and leadership capability from the perspectives of the respondents of this research is similar with the previous studies. During the interview, it was found out that the respondents understood what leadership is and the elements necessary to an effective leadership. The opinions from the respondents of this study indicate that they had a basic knowledge of leadership and they had to enhance themselves with the elements in the concept to enable them to become better and more competitive leaders.

6.0 CONCLUSION

Through this study, the researcher has successfully obtained the team leaders and HRM’s perspectives of the concept of leadership and leadership capability in the context of Malaysia construction industry. This study found that the respondents understood what leadership is and the elements necessary to an effective leadership. Taken together, the result suggested that the integration of leadership experiences, leadership training and the nine elements of leadership skills can and will greatly influence the core leadership capabilities of team leaders. These findings will enable the researcher to develop a leadership capability framework, which is a
logical conceptual structure intended to serve as a support or guide for the construction industry in developing programs or initiatives that expands and/or enhances the capabilities of individuals to lead. In conclusion, the study revealed that leaders in construction industry have a broad knowledge in technical skills conversely have fewer non-technical skills especially in leadership. In general, the team leaders in the construction industry needed more opportunities to expand their leadership capability to become effective leaders. Although, the study was based on leader in the construction industry in Malaysia, similar scenarios may be found in other industries and countries if leadership capability development is not recognized as an outcome that needs to be pursued with proper planning and implementations.

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