

**TRANSACTIONAL AND TRANSFORMATIONAL LEADERSHIP
IN CONTEXT OF
MALAYSIAN CONSTRUCTION INDUSTRY**

CHONG MING YANG

Master's project report is submitted as a partial fulfilment
of the requirement for award of the degree of
Master of Engineering (Civil – Constructon and Management)

Faculty of Civil Engineering
Universiti Teknologi Malaysia

OCTOBER, 2003

**KEPIMPINAN “TRANSACTIONAL” DAN “TRANSFORMATIONAL”
DALAM KONTEKS
INDUSTRI PEMBINAAN DI MALAYSIA**

CHONG MING YANG

Laporan projek ini dikemukakan sebagai
memenuhi sebahagian daripada syarat penganugerahan ijazah
Sarjana Kejuruteraan (Awam – Pengurusan dan Pembinaan)

Fakulti Kejuruteraan Awam
Universiti Teknologi Malaysia

OKTOBER, 2003

To my parents for their encouragement and love

ACKNOWLEDGEMENT

I would like to start with very grateful to the Faculty of Civil Engineering and Sekolah Pengajian Siswazah, Universiti Teknologi Malaysia for giving me the opportunity to pursue and to accomplish this Master of Engineering (Civil – Construction and Management). Highly appreciation is given to PM. Wan Zulkifli on his priceless guidance, assistance, encouragement, support and painstaking supervision in steering me through this master degree project report.

My appreciative thanks also to all my friends and classmates, Zoe Kwek Bee Leng, Cheong Ju Leong, Lai Yet Ru, and Hoh Cheong Tat, who have given cooperation and help to realize this Master project report and timely complete my post graduate study.

Lastly, I would like to express my thankful to my parents and family that make my study life enjoyable and comfortable by giving me their great encouragement and support.

ABSTRACT

The pace of changing global environment is hectic and we forced to face the future with lot of uncertainties. Given this situation, competence technical and broad managerial abilities are remaining important but not more than leadership. The objectives of this study were to study and compare the leadership behaviour underlying the leader and subordinates' preference leadership behaviour in context of Malaysian construction industry with respect to transactional leadership and transformational leadership. This research also studied interrelationship between subordinates' preference leadership behaviour corresponding with subordinates' working experience, comparison between the leadership behaviour underlying the leaders between Consulting Firms and Contracting Firms as well as comparison between subordinates' preference leadership behaviour between Consulting Firms and Contracting Firms. A total of 80 questionnaires drawn from construction-related Technical Professional were collected and used. Frequency counts of the responses were computed, from which the mean score for each item was calculated. The relative importances were then ranked from the highest to the lowest for each topic concerned. The result shows that the leaders tended to demonstrate transformational leadership along with the subordinates also preferred transformational leadership. However the exercising degree of transformational leadership by the leaders was much lower than subordinates' expectation. The finding is aimed at providing a basic guidance and useful information for Malaysian construction industry leaders to have a better understanding as to followers' satisfaction.

ABSTRAK

Perubahan dan perkembangan dunia kini semakin mendadak dan pesat. Maka kita terpaksa berhadapan dengan pelbagai ketidakpastian dan persoalan. Kepekaran teknikal dan keupayaan pengurusan memang kemahiran yang mustahak, tetapi tidak sehingga melebihi kepentingan keupayaan kepimpinan. Objektif kajian ini adalah untuk mengkaji dan membandingkan tindaklaku kepimpinan bagi pemimpin dan tinkahlaku kepimpinan kesukaan bawahan dalam industri pembinaan Malaysia dari segi *transactional leadership* dan *transformational leadership*. Kajian ini juga mengkajikan perhubungan tindaklaku kepimpinan kesukaan bawahan dari segi pengalaman perkerjaan, membuat perbandingan tindaklaku kepimpinan pemimpin dan perbandingan tindaklaku kepimpinan kesukaan bawahan bagi syarikat perunding dan syarikat kontraktor. Sejumlah 80 set kertas soal selidik telah dikumpulkan daripada maklum balas dan digunakan untuk tujuan analisis. Markah untuk setiap soalan dikirakan dan purata markah didapatkan. Kemudian setiap soalan disusun mengikut purata markah dari paling tinggi ke paling rendah bagi topik yang berkenaan. Keputusan analisis menunjukkan bahawa pemimpin di industri pembinaan Malaysia lebih menunjukkan *transformational leadership* daripada *transactional leadership*. Selain itu, bawahan juga menunjukkan kesukaan mereka dalam *transformational leadership* daripada *transactional leadership*. Walaubagaimanapun, kekerapan pemimpin menunjukkan *transformational leadership* adalah jauh lebih rendah daripada kesukaan bawahan. Pencarian untuk kajian ini diharapkan dapat memperuntukkan satu garisan panduan asas bagi pemimpin industri pembinaan Malaysia dalam lebih memahami keperluan bawahan mengenai tindaklaku kepimpinan.

TABLE OF CONTENTS

CHAPTER	DESCRIPTION	PAGE
	DECLARATION	ii
	DEDICATION	iii
	ACKNOWLEDGEMENT	iv
	ABSTRACT	v
	ABSTRAK	vi
	TABLE OF CONTENTS	vii
	LIST OF TABLES	xv
	LIST OF FIGURES	xx
	LIST OF APPENDICES	xxii
CHAPTER I	INTRODUCTION	1
	1.1 Introduction	1
	1.2 Statement of Problem	3
	1.3 Research Objective	5
	1.4 Research Methodology	6
	1.4.1 Research Sample and Scope	7
	1.4.2 Data Analysis and Discussion	7
	1.5 Conclusion and Recommendation	7

CHAPTER II	LITERATURE REVIEW	8
2.1	Leadership	8
2.2	Leader	9
2.3	Transactional and Transformational Leadership	10
2.3.1	Transactional Leadership	10
2.3.2	Transformational Leadership	14
2.3.3	Differences between Transactional and Transformational Leadership	19
2.3.4	Five-Factor Model	21
	2.3.4.1 Transactional Leadership	22
	2.3.4.2 Transformational Leadership	22
2.4	Multifactor Leadership Questionnaire (MLQ)	25
2.5	Theories of Leadership	29
2.5.1	Great Man Theories	29
2.5.2	Trait Theories	30
2.5.3	Contingency Theories	32
	2.5.3.1 Path-Goal Theory	32
	2.5.3.2 Cognitive Resources Theory	34
	2.5.3.3 Least Preferred Coworker Contingency Theory	34
	2.5.3.4 Leader Substitutes Theory	36
	2.5.3.5 Multiple Linkage Model	37
	2.5.3.6 Comparison of Contingency Theories	39
2.6	Leadership Style	40
2.7	Fundamentals of Leadership	44

2.7	Leadership Issues	45
2.9.1	Group Decision Making	45
2.9.2	Successful Leader	46
2.9.3	Leaders versus Managers	47
2.9.4	Transformational Leadership is Getting Important?	50
CHAPTER III	RESEARCH METHODOLOGY	52
3.1	Introduction	52
3.2	Literature Review	52
3.3	Data Collection	53
3.4	Questionnaire Design	53
3.5	Size of Sample	57
3.6	Data Analysis	59
CHAPTER IV	ANALYSIS AND RESULT	60
4.1	Introduction	60
4.2	Demographical Profile	61
4.3	Subordinates' Leaders Leadership Behaviour	62
4.3.1	Transactional Leadership Behaviour	64
4.3.2	Transformational Leadership Behaviour	65
4.4	Subordinates' Preference Leadership Behaviour	65
4.4.1	Transactional Leadership Behaviour	67
4.4.2	Transformational Leadership Behaviour	68

4.5	Comparison between Subordinates' Preference and their Leaders' Leadership Behaviour	68
4.5.1	Comparison of Transactional Leadership Behaviour	68
4.5.2	Comparison of Transformational Leadership Behaviour	70
4.6	Preference of Leadership Behaviour and Subordinates' Working Experience	72
4.6.1	Transactional Leadership Behaviour	72
4.6.1.1	Working Experience < 2 Years	72
4.6.1.2	Working Experience 2 – 5 Years	73
4.6.1.3	Working Experience 5 – 10 Years	73
4.6.1.4	Working Experience 10 – 15 Years	74
4.6.1.5	Working Experience 15 – 20 Years	74
4.6.1.6	Working Experience > 20 Years	75

4.6.2	Transformational Leadership Behaviour	75
4.6.2.1	Working Experience < 2 Years	75
4.6.2.2	Working Experience 2 – 5 Years	76
4.6.2.3	Working Experience 5 – 10 Years	76
4.6.2.4	Working Experience 10 – 15 Years	77
4.6.2.5	Working Experience 15 – 20 Years	77
4.6.2.6	Working Experience > 20 Years	78
4.6.3	Overall View and Comparison	78
4.7	Identify and Comparison between the Leadership Behaviour Underlying the Leaders of Consulting Firms and Contracting Firms	80
4.7.1	Consulting Firms Leaders' Leadership behaviour	80
4.7.2	Contracting Firms Leaders' Leadership behaviour	83
4.7.3	Comparison between Consulting Firms and Contracting Firms Leaders' Leadership behaviour	85
4.7.3.1	Comparison of Transactional Leadership Behaviour	86
4.7.3.2	Comparison of Transformational Leadership Behaviour	87

4.8	Technical Professionals and their Preference of Leadership Behaviour	89
4.8.1	Consulting Firms Subordinates' Preference Leadership Behaviour	89
4.8.2	Contracting Firms Subordinates' Preference Leadership Behaviour	92
4.8.3	Comparison between Consulting Firms and Contracting Firms Subordinates' Preference Leadership behaviour	95
4.8.3.1	Comparison of Transactional Leadership Behaviour	96
4.8.3.2	Comparison of Transformational Leadership Behaviour	97
4.8.3.3	Overall View and Comparison	99
4.9	Hypothesis Test	101
	List of Analysis Result Tables	103
CHAPTER V	DISCUSSION	145
5.1	Introduction	145
5.2	Subordinates' Leaders Leadership Behaviour	145
5.3	Subordinates' Preference Leadership Behaviour	148
5.4	Comparison between Subordinates' Preference and their Leaders' Leadership Behaviour	150

5.5	Preference of Leadership Behaviour and Subordinates' Working Experience	153
5.6	Identify and Comparison between the Leadership Behaviour Underlying the Leaders of Consulting Firms and Contracting Firms	15
5.7	Technical Professionals and their Preference of Leadership Behaviour	158
CHAPTER VI	CONCLUSION AND RECOMMENDATION	161
6.1	Introduction	161
6.2	Conclusion	161
6.2.1	First Objective	162
6.2.2	Second Objective	163
6.2.3	Third Objective	164
6.2.4	Fourth Objective	165
6.2.5	Fifth Objective	165
6.2.6	Sixth Objective	166
6.3	Recommendation	167
6.4	Limitation of Study	167
6.5	Suggestion For Future Study	168
	REFERENCE	169
	APPENDIXES A - I	176
	Appendix A	177
	Appendix B	185
	Appendix C	189

Appendix D	200
Appendix E	211
Appendix F	214
Appendix G	221
Appendix H	242
Appendix I	263

LIST OF TABLES

TABLE	DESCRIPTION	PAGE
 CHAPTER II		
2.1	Differences between Transactional and Transformational Leadership Behaviour	22
2.2	Comparison of Transactional and Transformational Leadership Qualities (Tichy and Devanna, 1986, and Bass and Avolio, 1994)	23
2.3	Traits and Skills Found Most Frequently to Be Characteristic of Successful Leaders (Stogdili, 1974)	32
2.4	Comparison of Six Contingency Theories (Yukl, 1994)	41
2.5	Supporting Commitments for the Fundamentals of Leadership	46
2.6	Differences in Focus between Managers and Leaders	50
2.7	Differences between Management and Leadership (Stanley, 1997)	50
 CHAPTER III		
3.1	Two Transactional Facets and Three Transformational Facets	56
3.2	Summary of Statements' Distribution	59
3.3	Responded Entities	60

CHAPTER IV

4.1	Respondents' Demographical Profile	63
4.2	General Analysis Result of Subordinates' Leaders Leadership Behaviour	64
4.3	Category of Subordinates' Leaders Leadership Behaviour	65
4.4	Ranking of Leaders' Transactional Leadership Behaviour	105
4.5	Ranking of Leaders' Transformational Leadership Behaviour	106
4.6	Subordinates' Preference Leadership	67
4.7	Category of Subordinates' Preference Leaders Leadership Behaviour	68
4.8	Ranking of Subordinates' Preference Transactional Leadership Behaviour	108
4.9	Ranking of Subordinates' Preference Transformational Leadership Behaviour	109
4.10	Comparison between Subordinates' Preference of and their Leaders' Practices of Transactional Leadership Behaviour	71
4.11	Comparison between Subordinates' Preference of and their Leaders' Practices of Transformational Leadership Behaviour	72
4.12	Ranking of Subordinates' Preference Transactional Leadership Behaviour (Working Experience < 2 Years)	111
4.13	Ranking of Subordinates' Preference Transactional Leadership Behaviour (Working Experience 2 – 5 Years)	112
4.14	Ranking of Subordinates' Preference Transactional Leadership Behaviour (Working Experience 5 – 10 Years)	113
4.15	Ranking of Subordinates' Preference Transactional Leadership Behaviour (Working Experience 10 – 15 Years)	114
4.16	Ranking of Subordinates' Preference Transactional Leadership Behaviour (Working Experience 15 – 20 Years)	115
4.17	Ranking of Subordinates' Preference Transactional Leadership Behaviour (Working Experience >20 Years)	116
4.18	Ranking of Subordinates' Preference Transformational Leadership Behaviour (Working Experience < 2 Years)	117

4.19	Ranking of Subordinates' Preference Transformational Leadership Behaviour (Working Experience 2 to 5 Years)	119
4.20	Ranking of Subordinates' Preference Transformational Leadership Behaviour (Working Experience 5 to 10 Years)	121
4.21	Ranking of Subordinates' Preference Transformational Leadership Behaviour (Working Experience 10 to 15 Years)	123
4.22	Ranking of Subordinates' Preference Transformational Leadership Behaviour (Working Experience 15 to 20 Years)	125
4.23	Ranking of Subordinates' Preference Transformational Leadership Behaviour (Working Experience > 20 Years)	127
4.24	The Ratio of Consulting Firms Leaders' Leadership	82
4.25	Ranking of Consulting Firms Leaders' Transactional Leadership Behaviour	129
4.26	Ranking of Consulting Firms Leaders' Transformational Leadership Behaviour	130
4.27	The Category of Consulting Firms Leaders' Leadership Behaviour	84
4.28	The Ratio of Contracting Firms Leaders' Leadership	85
4.29	Ranking of Contracting Firms Leaders' Transactional Leadership Behaviour	132
4.30	Ranking of Contracting Firms Leaders' Transformational Leadership Behaviour	133
4.31	The Category of Contracting Firms Leaders' Leadership Behaviour	86
4.32	Comparison between Consulting Firms Contracting Firms Leaders' Transactional Leadership Behaviour	88
4.33	Comparison between Consulting Firms and Contracting Firms Leaders' Transformational Leadership Behaviour	89
4.34	Ratio of Consulting Firms Subordinates' Preference Leadership Behaviour	92
4.35	Ranking of Consulting Firms Subordinates' Preference Transactional Leadership Behaviour	135

4.36	Ranking of Consulting Firms Subordinates' Preference Transformational Leadership Behaviour	136
4.37	Category of Consulting Firms Subordinates' Preference Leadership Behaviour	93
4.38	Ratio of Contracting Firms Subordinates' Preference Leadership Behaviour	95
4.39	Ranking of Contracting Firms Subordinates' Preference Transactional Leadership Behaviour	138
4.40	Ranking of Contracting Firms Subordinates' Preference Transformational Leadership Behaviour	139
4.41	Category of Contracting Firms Subordinates' Preference Leadership Behaviour	96
4.42	Comparison between Consulting Firms and Contracting Firms Subordinates' Preference Transactional Leadership Behaviour	98
4.43	Comparison between Consulting Firms and Contracting Firms Subordinates' Preference Transformational Leadership Behaviour	99
4.44	The Ratio of Subordinates' Preference Leadership Behaviour by Employment Category	101
4.45	The Mean of Subordinates' Preference Leadership Behaviour by Employment Category	102
4.46	Result of T-Test for Hypothesis 1	141
4.47	Result of T-Test for Hypothesis 2	142
4.48	Result of Oneway Test for Hypothesis 3	143
4.49	Result of Post Hoc Tests for Hypothesis 3	144
4.50	Result of T-Test for Hypothesis 4	145
4.51	Result of T-Test for Hypothesis 5	146

CHAPTER V

5.1	The Ratio, Mean and Frequency for Subordinates' Leaders Leadership Behaviour	148
5.2	The Ratio, Mean and Frequency for Subordinates' Preference Leadership Behaviour	150
5.3	Comparison of Ratio between Transactional Leadership and Transformational Leadership	153
5.4	Comparison of Mean between Transactional Leadership and Transformational Leadership	153
5.5	Comparison of Frequency between Transactional Leadership and Transformational Leadership	154
5.6	The Ratio for Subordinates' Preference Leadership Behaviour by different Working Experience Category	155
5.7	The Ratio of Leaders' Leadership Behaviour by Employment Category	157
5.8	The Mean of Leaders' Leadership Behaviour by Employment Category	158
5.9	The Frequency of Leaders' Leadership Behaviour by Employment Category	158
5.10	The Ratio of Subordinates' Preference Leadership Behaviour by Employment Category	160
5.11	The Mean of Subordinates' Preference Leadership Behaviour by Employment Category	160
5.12	The Frequency of Subordinates' Preference Leadership Behaviour by Employment Category	161

LIST OF FIGURES

FIGURE	DESCRIPTION	PAGE
CHAPTER I		
1.1	Research Steps	6
CHAPTER II		
2.1	Transactional Leadership and Follower Effort (Bass, 1985)	14
2.2	Abraham Maslow's Hierarchy of Needs (Goble, 1970)	17
2.3	Transformational Leadership and Extra Follower Effort (Bass, 1985)	19
2.4	Full Range Leadership Behaviour	25
2.5	Causal Relationship in Path-Goal Theory of Leadership (Yukl, 1994)	34
2.6	Causal Relationships in Fiedler's Contingency Theory (Yukl, 1994)	37
2.7	Causal Relationships in the Multiple Linkage Model	39
2.8	Degrees of Three Leadership Styles (Bellows, 1959)	43
2.9	Leadership Style Influences (Gharehbaghi and Mcmanus, 2003)	45
2.10	Collective Wisdom of the Group (Mel Hensey, 1999)	47

CHAPTER IV

4.1	Ratio of Subordinates' Leaders Leadership Behaviour	65
4.2	Category of Subordinates' Leaders Leadership Behaviour	66
4.3	Ratio of Subordinates' Preference Leadership Behaviour	68
4.4	Category of Subordinates' Preference Leaders Leadership Behaviour	69
4.5	Subordinates' Preference of Transactional and Transformational Leadership Behaviour by the Working Experience Categories (Chart)	81
4.6	Subordinates' Preference of Transactional and Transformational Leadership Behaviour by the Working Experience Categories (Column)	81
4.7	The Ratio of Consulting Firms Leaders' Leadership Behaviour	83
4.8	The Category of Consulting Firms Leaders' Leadership Behaviour	84
4.9	Ratio of Contracting Firms Leaders' Leadership Behaviour	86
4.10	Category of Contracting Firms Leaders' Leadership Behaviour	87
4.11	Ratio of Consulting Firms Subordinates' Preference Leadership Behaviour	93
4.12	Category of Consulting Firms Subordinates' Preference Leadership Behaviour	94
4.13	Ratio of Contracting Firms Subordinates' Preference Leadership Behaviour	96
4.14	Category of Contracting Firms Subordinates' Preference Leadership Behaviour	97
4.15	The Ratio of Preference Leadership Behaviour by Different Employment	102
4.16	The Mean of Preference Leadership Behaviour by Different Employment	103

LIST OF APPENDICES

APPENDIX	DESCRIPTION	PAGE
A	Questionnaire Form	177
B	Analysis of Questionnaire – Section A Respondent Details	185
C	Analysis of Questionnaire – Section B Your Leader’s Leadership Behaviour	189
D	Analysis of Questionnaire – Section C Your Preference Leadership Behaviour	200
E	Questionnaire Analysis for Comparison Between Subordinates’ Preference and Their Leaders’ Leadership Behaviour	211
F	Questionnaire Analysis for Preference of Leadership Behaviour and Subordinates’ Working Experience	214
G	Questionnaire Analysis for Comparison of Consulting Firms and Contracting Firms Leaders’ Leadership Behaviour	221
H	Questionnaire Analysis for Comparison of Consulting Firms and Contracting Firms Subordinates’ Preference Leadership Behaviour	242
I	Analysis Outcome of Hypothesis Test	263

CHAPTER I

INTRODUCTION

1.1 Introduction

The issue has risen when we talk about why need leadership in engineering? The world clearly has changed and it continues to do so. The pace of changing global environment is hectic and we forced to face the future with lot of uncertainties. Given this situation, competence technical and broad managerial abilities are remaining important but not more than leadership. If there is one ingredient essential to the success of any organization, it is leadership (Goble, 1972). Success in today's international environment demands that engineers develop their competency skills in leadership. Leadership in engineering became immediate essential reading for engineers seeking practical information to hone those skill sets.

Owens (1982) had concluded the following regarding project leadership and related behavioral topics:

Leadership behaviour – Project manager cannot rely on one particular leadership style to influence other people's behavior. Different situations call for different approaches, and leader must be sensitive to the unique features of circumstances and personalities.

Motivational techniques – An awareness of unfulfilled needs residing in the team is required to successfully appraise motivational requirements and adjust a job's design to meet those needs.

Interpersonal and organizational communications – Conflicts situations occur regularly. A problem solving or confrontation approach (confronting the problem and not the persons), using informal group sessions, can be useful resolution strategy.

Decision-making and team-building skills – Participative decision making meets the needs of individual team members and contributes toward effective decisions and team unity.

Results of a national survey performed in America (NSPE, 1992) revealed that even graduates not only need to have sound technical base knowledge in different disciplines but also need to have specific skills that are highly valued by employer who hire them. The survey found that leadership is recognized as one of the skills that would merit more attention.

Moreover, a study conducted in Colorado (Ali, 1998) also emphasizes the significance of leadership on behalf of contractors. This study found that subcontractors prefer general contractors who exercising leadership in management and direction. Subcontractors have heavily considered the leadership issue in their bidding decisions. The good leadership exercising by contractors seems to reduce the subcontractors' investment risk and to facilitate subcontractors' work planning and coordination.

Odusami (2002) also identify the most important skill of an effective project leader as perceived by the significant actors in the construction industry. Odusami revealed that leadership and motivation had been put in an important place by three groups of respondents, namely clients, consultants and contractors. These three major groups that constitute the construction industry coincidentally considered leadership and motivation as importance skills for a successful project leader.

Goodwin (1993) remarked that, while there is no compelling necessity for a project manager to be a technical specialist, he should have some degree of technical skill encompassing the technological discipline on which the project is based. And yet, once the threshold is attained, human and conceptual skills appear to have more influence on the project manager's effectiveness than technical skill. Sahlin (1998), on the other hand, mentioned that a project manager does not need intense technical training but he/her needs leadership and management skills to perform effectively. Moreover, Wateridge (1997) in his literature review observed leadership skill appears as the most important skill that a project manager needs to possess.

A study performed in Malaysia (Lee & Tan, 2003) also revealed that the current employers tend to recruit engineering graduates who have a solid foundation on both technical and non-technical skills, wherein the leadership as one of the important soft skill that highly valued by leading engineering organization and yet not be sufficiently developed in engineering program. Consequently, there is a need to increase awareness and consciousness among Malaysian engineering as well as construction industry. Some type of formal leadership development program must be incorporated into education program as well as along with the on-the-job training in order to promote the leadership quality of related parties.

1.2 Statement of Problem

We should aware of the importance of leadership in construction field after a reading of aforementioned descriptions concerning this topic. The key point to be made is that the project manager is expected to be the leader of the project. Successful project managers have used many different styles and methods of leadership, depending on their own personalities, experience, interpersonal skills and technical competence on the hand, and the characteristics of the project and its environment.

To effectively learn from successful leaders, we need to identify their beliefs (leadership), behaviours (action patterns), and batting order (sequences). Almost all management literature errs, misleads, or inadequately cover the needed information for several reasons. For one, focus is often on philosophies, instead of beliefs and behaviours (Mel Hensey, 1999). While each successful leader succeeds with his/her unique style and skill set, sure there are some common beliefs, behaviours, and sequences that we can identify.

Although the majority in community are not fully aware of the importance of leadership, or have not even thought about it, but apparently undeniable that leadership behaviour plays an important role in determines the success of a project manager as well as a leader. Also, Blanchard (1984) emphasizes on the followers with respect to leadership effectiveness. We must realize that it is the followers' onus to access the leader either accept or reject him/her. Ultimately, the response of subordinates to the leader determines how effective the leader will be. This is another focus that has been undervalued in most of theories.

Hersey, P. and Blanchard, J. (1982) suggests that effective style of leadership must take into consideration the maturity level of employees. For instance, in many contingencies such as in emergencies or when leading inexperienced followers, more direction, task oriented, and initiation were seen to be the more effective way to lead (Bass, 1985). So it is important for us to identify the interrelationship between followers' preference leadership behaviour corresponding with their maturity level. There are always many followers with different maturity level involved in a project. So it does always be a problem for a project leader, as well as a project coordinator to lead such a complex project team in an effective way.

Generally, the Consulting Firms and Contracting Firms are the principal actors of the construction industry. The key point to be made is that, consulting employees and contracting employees or so-called contractors are operating under distinct working environment. The difference with reference to working environment naturally will build the followers with different demand in concerned. Working environment seemed as a factor that effects appropriate leadership style adopted (Gharehbaghi and Mcmanus, 2003).

Goodwin (1993) suggests that the project manager must ensure the appropriate leadership style compatible with the contingency situation is adopted. A project leader should adapt to circumstance which their efficacy of leadership behaviour is attribute to the extent of understanding of their followers.

The perception of the leadership behaviour by Technical Professionals in Malaysia has become increasingly important owing to the rapid growing of Malaysian construction industry. A great understanding on what constitutes acceptable, effective and efficient leadership styles or practices in the construction industry could leads the man towards successful path. This report possibly can provide foundation information on this concerned subject.

1.3 Research Objective

1. To study the leadership behaviour underlying the leader in Malaysian construction industry, whether transactional leadership or transformational leadership.
2. To study the subordinates' preference leadership behaviour, whether transactional leadership or transformational leadership.
3. To compare the leaders' leadership behaviour and subordinates' preference leadership behaviour with respect to transactional leadership and transformational leadership.
4. To study the interrelationship between subordinates' preference leadership behaviour corresponding with subordinates' working experience.
5. To identify and compare the leadership behaviour underlying the leaders between Consulting Firms and Contracting Firms.
6. To identify and compare subordinates' preference leadership behaviour between Consulting Firms and Contracting Firms.

1.4 Research Methodology

The research methodology conducted all the way of this study was compliance with the study aims and objectives. Basically there were four essential steps in conducting this study as briefly listed:

- The literature review
- Data collection
 - i. Questionnaire design
 - ii. Questionnaire distribution
 - iii. Questionnaire collection
- Data analysis and discussion
- Conclusion and recommendation

Figure 1.1 shown below illustrates the four essential steps in a proper and simple chronological order.

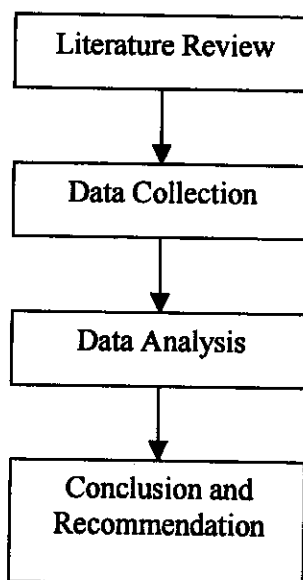


Figure 1.1: Research Steps

REFERENCE

- Ali A. Shash. (1998). "Subcontractors' Bidding Decisions." *Journal of Construction Engineering and Management*, March/April, 101-106.
- Avolio, B. J., & Bass, B.M. (1998). "You can drag a horse to water, but you can't make it drink except when it's thirsty." *Journal of Leadership Studies*. 5. 1-17.
- Bandura, A. (1982). "Self-Efficacy Mechanism in Human Agency." *American Psychologist*.
- Barling, J., Weber, T., & Kelloway, K. E. (1996). "Effects of transformational leadership training on attitudinal and financial outcomes: A field experiment." *Journal of Applied Psychology*. 81. 827-832.
- Bass, B. M. (1985). "Leadership and Performance beyond Expectations." The Free Press.
- Bass, B. M. (1997). "Does the transactional/transformational leadership paradigm transcend organizational and national boundaries?" *American Psychologist*. 52, 130-139.
- Bass, B. M. and Avolio, B. J. (1990). "Transformational Leadership Development: Manual for the Multifactor Leadership Questionnaire." Palo Alto, CA: Consulting Psychologists Press.
- Bass, B. M. and Avolio, B. J. (1990a). "Developing Transformational Leadership: 1992 and Beyond." *Journal of European Industrial Training*. 14, 21-27.

- Bass, B. M. and Avolio, B. J. (1990b). "The Implications of Transactional and Transformational Leadership for Individual, Team, and Organizational Development." In W. Pasmore and R. W. Woodman (Eds.) *Research in Organizational Change and Development*, Vol. 4, pp. 231-272. Greenwich, CT: JAI Press.
- Bass, B. M. and Avolio, B. J. (1994). "Improving organizational effectiveness through transformational leadership." Thousand Oaks, CA: Sage Publications.
- Bass, B.M. and Avolio, B.J. (2000). "Effects on platoon readiness of transformational/transactional platoon leadership." Final Report. (Contract DASW01-96K-0008, U.S. Army Research Institute for the Behavioral and Social Sciences, March 2000).
- Bellows, R. (1959). "Creative Leadership." Prentice-Hall, Inc.
- Blanchard, K. and Johnson, S. (1982) "The One Minute Manager." New York: William Morrow.
- Burns, J. M. (1978). "Leadership." New York: Harper and Row.
- Bycio, P., Allen, J. S. and Hackett, R. D. (1995). "Further Assessment of Bass's (1985) Conceptualization of Transactional and Transformational Leadership." *Journal of Applied Psychology*, No. 4, 468-478.
- Cardona, P. (2000). "Transcendental leadership." *Leadership and Organization Development Journal*, Vol. 21, No. 4.
- Carnegie, D. (1995). "Performance of North Sea offshore platform supervisors." Doctoral dissertation, Aberdeen University, Aberdeen, Scotland.

- Davis, D. D., Guaw, P., Luo, J., & Maahs, C. J. (1997). "Need for continuous improvement, organization citizenship, transformational leadership, and service climate in a Chinese state enterprise." Paper presented to Society for Organizational and Industrial Psychology, St. Louis, MO.
- den Hartog, D. N. (1997). "Inspirational leadership." *Academisch Profschrift*, Free University of Amsterdam, Amsterdam, Holland.
- Dvir, T. (1998). "The impact of transformational leadership training on follower development and performance: A field experiment." Doctoral dissertation, Tel Aviv University, Ramat, Aviv, Israel.
- Fiedler, F. E. (1964). "A Contingency Model of Leadership Effectiveness." In L. Berkowitz (Ed.), *Advances in Experimental Social Psychology*. New York: Academic Press.
- Fiedler, F. E. (1967). "A Theory of Leadership Effectiveness." New York: Macgraw-Hill.
- Fiedler, F. E. (1986). "The Contribution of Cognitive Resources to Leadership Performance." *Journal of Applied Social Psychology*. 16. 532 – 548.
- Fiedler, F. E. Chemers, M and Mahar, L (1978). "Improving Leadership Effectiveness, the Leader Match Concept." New York: Wiley.
- Fiedler, F. E., & Garcia, J. E. (1987). "New Approach to Leadership: Cognitive Resources and Organizational Performance". New York: John Wiley.
- Flauto, F. J. (1999). "Walking the talk: The relationship between leadership and communication competence." *The Journal of Leadership Studies*. 6 (1/2), 86-96.
- Geyer, A.L. and Steyrer, J. (1998). "Transformational leadership, classical leadership dimensions and performance indicators in savings banks." *Leadership Quarterly*. 47. 397-420.

- Globe, Frank. (1972). "Excellence in Leadership." American Management Association. Thomas Jefferson Research Center.
- Goble, Frank. (1970). "The Third Force." Thomas Jefferson Research Center.
- Gharehbaghi, K. and Mcmanus, K. (2003) "The Construction Manager as a Leader." *Journal of Leadership and Management in Engineering*. January, 56-58.
- Goodwin, R. S. C. (1993). "Skills Required of Effective Project Managers." *J. Manage, Eng.*, 9 (3), 217-226.
- Hemphill, J. K., & Coons, A. E. (1957). "Development of the Leader Behavior Description Questionnaire." In R. M. Stogdill and A. E. Coons (Eds.) *Leader Behavior: Its Description and Measurement*. Columbus, Ohio: Bureau of Business Research, Ohio State University.
- Hiebert, Murray. (2001). "The encyclopedia of leadership: A practical guide to popular leadership theories and techniques." 1st ed., New York: McGraw-Hill.
- Hersey, P. and Blanchard, J. (1982). "Management of Organizational Behaviour: Utilizing Human Resources." 4th ed., Prentice Hall.
- Hosking, D. M. (1988). "Organizing, Leadership, and Skillful Process." *Journal of Management Studies*. 25, 147-166.
- Howell, J.M. and Avolio, B.J. (1993). "Transformational leadership, transactional leadership, locus of control and support for innovation: Key predictors of consolidated-business-unit performance." *Journal of Applied Psychology*. 78, 891-902.
- Jacobs, T. O. and Jaques, E. (1990). "Military Executive Leadership." In K. E. Clark and M. B. Clark (Eds.) *Measures of Leadership*. West Orange, NJ: Leadership Library of America.

- Kerr, S., & Jermier, J. M. (1978). "Substitutes for Leadership: Their Meaning and Measurement." *Organizational Behavior and Human Performance*. 22. 375-403.
- K. T. Odusami (2002). "Perceptions of Construction Professionals Concerning Important Skills of Effective Leaders." *Journal of Management in Engineering*, April. 61-67.
- Kouzes, J. M. and Posner, B. Z. (1995). "The leadership challenge: How to keep getting extraordinary things done in organizations." San Francisco, CA: Jossey-Bass.
- Larson, A. (1968). "The President Nobody Knew." New York: Popular Library.
- Lee, Fui Tong & Tan, Jit Han (2003). "Project Management Skills Demand for Engineering Graduates in Malaysia." *Jurutera*, June. 16-25.
- Leithwood, A. Kenneth. (1999). "Changing leadership for changing times." 1st ed., Philadelphia: Open University Press.
- Lowe, K.B., Kroeck, K.G., & Sivasubramaniam, N. (1996). "Effectiveness correlates of transformational and transactional leadership: A meta-analytic review." *Leadership Quarterly*. 7. 385-425
- McRae McMahon, Dorothy. (2001). "Daring leadership for the 21st century." 1st ed., Sydney, Australia: ABC Books.
- Mel Hensey, P.E., Fellow, ASCE, (1999). "The Why and How Of Facilitative Leadership." *Journal of Management In Engineering*, May/June, 43-46.
- NSPE. (1992). "Engineering Education Issues: Report on Surveys of Opinions of Engineering Deans and Employers of Engineering Graduates on the First Professional Degree." NSPE Publication No. 3059, November.

- Owens, Stephen D. (1982). "Project Management and Behavior Research Revisited." Project Management Institute Proceedings, Toronto, p. II-F.1.
- Robert, I. Carr. Fellow, ASCE (1997). "Engineering and Construction Management: Leadership and Opportunity." *Journal Of Construction Engineering and Management*, September, 292-296.
- Rosner, S. R. & Kleinn, B. H. (1998). "Managing for Excellence in Malaysia." *Management Research News*, Vol. 21, No. 6.
- Sahlin, J. P. (1998). "How Much Technical Training Does A Project Manager need?" *PM Network*, 35-36.
- Stanley, G. Genega. (1997). "Leadership is Essential to Managing Success." *Journal of Management in Engineering*, July/Aug, 22-23.
- Stogdill, R. M. (1974). "Handbook of Leadership: A Survey of the Literature." New York: Free Press.
- Taylor, James. (1998). "A Survival Guide for Project Managers." Amacom, American Management Association.
- Truman, H. S. (1985). "Memoir." New York: Doubleday.
- Vroom, V. H. (1964). "Work and Motivation." New York: John Wiley & Sons.
- Wateridge, J. (1997). "Training for IS/IT Project Managers: A Way Forward." *Int. J. Proj. Manage.* 15 (5), 283-288.
- Wafford, J. C. (1982). "An integrative theory of leadership." *Journal of Management*, 8, 27-47.

- Yammarino, F. J. and Bass, B. M. (1990). "Long-Forcasting of Transformational Leadership and Its Effects among Naval Officers." In K. E. Clark and M. B. Clark (Eds.), *Measures of Leadership*. West Orange, NJ: Leadership Library of America.
- Yukl, G. (1971). "Toward A Behavioral Theory Of Leadership." *Organizational Behavior And Human Performance*. 6. 414-440.
- Yukl, G. (1981). "Leadership in Organizations." Englewood Cliffs, NJ: Prentice Hall International.
- Yukl, G. (1989). "Leadership in Organizations." 2nd ed. Englewood Cliffs, NJ: Prentice Hall International.
- Yukl, G. (1994). "Leadership in Organizations." 3th ed, Englewood Cliffs, NJ: Prentice Hall International.
- Zaleznik, A. (1983). "The Leadership Gap." *Washington Quarterly*, 6 (1).