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 – Construction and Management)

Faculty of Civil Engineering
Universiti Teknologi Malaysia

OCTOBER, 2003
UNIVERSITI TEKNOLOGI MALAYSIA

BORANG PENGESAHAN STATUS TESIS

JUDUL: TRANSACTIONAL AND TRANSFORMATIONAL LEADERSHIP IN CONTEXT OF MALAYSIAN CONSTRUCTION INDUSTRY

SESI PENGAJIAN: 2003/2004

Saya: CHONG MING YANG

(HURUF BESAR)

mengaku membenarkan tesis (PSM / Sarjana / Doktor Falsafah)* ini disimpan di Perpustakaan Universiti Teknologi Malaysia dengan syarat-syarat kegunaan seperti berikut:

1. Tesis ini adalah hakmilik Universiti Teknologi Malaysia.
2. Perpustakaan Universiti Teknologi Malaysia dibenarkan membuat salinan untuk tujuan pengajian sahaja.
3. Perpustakaan dibenarkan membuat salinan tesis ini sebagai bahan pertukaran antara institusi pengajian tinggi.
4. ** Sila tandakan (✓)

☐ SULIT (Mengandungi maklumat yang berdźarjah keselemaatan atau kepentingan Malaysia seperti yang termaktub di dalam AKTA RAHSIA RASMI 1972)

☐ TERHAD (Mengandungi maklumat TERHAD yang telah ditentukan oleh organisasi/badan di mana penyelidikan dijalankan)

✓ TIDAK TERHAD

Disahkan oleh

(TANDATANGAN PENULIS)

Alamat Tetap:
58, HALAMAT BARU 10,
BANDAR LAHAT BARU,
31800 IPOH,
PERAK.

Tarikh: 05 OCT 2003

(TANDATANGAN PENYELIA)

PM, WAN ZULKIFLI WAN YUSOF
Nama Penyelia

Tarikh: 05 OCT 2003

CATATAN

* Potong yang tidak berkenean.
** Jika tesis ini SULIT atau TERHAD, sila lampirkan surat dari pihak berkuasa/organisasi berkenaan dengan menyatakan sebab-sebab dan tempoh tesis ini perlu dikalakan sebagai SULIT atau TERHAD.
• Tesis dimaksudkan sebagai tesis bagi ijazah Doktor Falsafah dan Sarjana secara penyelidikan, atau disertai bagi pengajian secara kerja kursus dan penyelidikan, atau Laporan Projek Sarjana Muda (PSM).
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
“Saya akui bahawa saya telah membaca karya ini dan pada pandangan saya karya ini adalah memadai dari segi skop dan kualiti untuk tujuan penganugerahan ijazah
Sarjana Kejuruteraan (Awam – Pembinaan dan Pengurusan)

Tandatangan : ........................................
Nama Penyelia : PM. WAN ZUL KIFLI WAN YUSOF
Tarikh : 05 OKT 2003
"I declare this master's project report is the result of my own effort, except for the parts where I have acknowledge the sources"

Signature: 

Writer: CHONG MING YANG

Date: 05 OCT 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 form 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

# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>DESCRIPTION</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DECLARATION</td>
<td>ii</td>
</tr>
<tr>
<td></td>
<td>DEDICATION</td>
<td>iii</td>
</tr>
<tr>
<td></td>
<td>ACKNOWLEDGEMENT</td>
<td>iv</td>
</tr>
<tr>
<td></td>
<td>ABSTRACT</td>
<td>v</td>
</tr>
<tr>
<td></td>
<td>ABSTRAK</td>
<td>vi</td>
</tr>
<tr>
<td></td>
<td>TABLE OF CONTENTS</td>
<td>vii</td>
</tr>
<tr>
<td></td>
<td>LIST OF TABLES</td>
<td>xv</td>
</tr>
<tr>
<td></td>
<td>LIST OF FIGURES</td>
<td>xx</td>
</tr>
<tr>
<td></td>
<td>LIST OF APPENDICES</td>
<td>xxii</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CHAPTER I</th>
<th>INTRODUCTION</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>1.2</td>
<td>Statement of Problem</td>
<td>3</td>
</tr>
<tr>
<td>1.3</td>
<td>Research Objective</td>
<td>5</td>
</tr>
<tr>
<td>1.4</td>
<td>Research Methodology</td>
<td>6</td>
</tr>
<tr>
<td>1.4.1</td>
<td>Research Sample and Scope</td>
<td>7</td>
</tr>
<tr>
<td>1.4.2</td>
<td>Data Analysis and Discussion</td>
<td>7</td>
</tr>
<tr>
<td>1.5</td>
<td>Conclusion and Recommendation</td>
<td>7</td>
</tr>
</tbody>
</table>
CHAPTER II  LITERATURE REVIEW

2.1 Leadership

2.2 Leader

2.3 Transactional and Transformational Leadership
   2.3.1 Transactional Leadership
   2.3.2 Transformational Leadership
   2.3.3 Differences between Transactional and Transformational Leadership
   2.3.4 Five-Factor Model
      2.3.4.1 Transactional Leadership
      2.3.4.2 Transformational Leadership

2.4 Multifactor Leadership Questionnaire (MLQ)

2.5 Theories of Leadership
   2.5.1 Great Man Theories
      2.5.2 Trait Theories
   2.5.3 Contingency Theories
      2.5.3.1 Path-Goal Theory
      2.5.3.2 Cognitive Resources Theory
      2.5.3.3 Least Preferred Coworker
      Contingency Theory
      2.5.3.4 Leader Substitutes Theory
      2.5.3.5 Multiple Linkage Model
      2.5.3.6 Comparison of Contingency Theories

2.6 Leadership Style

2.7 Fundamentals of Leadership
CHAPTER III  RESEARCH METHODOLOGY
3.1 Introduction
3.2 Literature Review
3.3 Data Collection
3.4 Questionnaire Design
3.5 Size of Sample
3.6 Data Analysis

CHAPTER IV  ANALYSIS AND RESULT
4.1 Introduction
4.2 Demographical Profile
4.3 Subordinates' Leaders Leadership Behaviour
  4.3.1 Transactional Leadership Behaviour
  4.3.2 Transformational Leadership Behaviour
4.4 Subordinates' Preference Leadership Behaviour
  4.4.1 Transactional Leadership Behaviour
  4.4.2 Transformational Leadership Behaviour
4.5 Comparison between Subordinates’ Preference and their Leaders’ Leadership Behaviour
   4.5.1 Comparison of Transactional Leadership Behaviour
   4.5.2 Comparison of Transformational Leadership Behaviour

4.6 Preference of Leadership Behaviour and Subordinates’ Working Experience
   4.6.1 Transactional Leadership Behaviour
      4.6.1.1 Working Experience < 2 Years
      4.6.1.2 Working Experience 2 – 5 Years
      4.6.1.3 Working Experience 5 – 10 Years
      4.6.1.4 Working Experience 10 – 15 Years
      4.6.1.5 Working Experience 15 – 20 Years
      4.6.1.6 Working Experience > 20 Years
4.6.2 Transformational Leadership Behaviour

4.6.2.1 Working Experience < 2 Years

4.6.2.2 Working Experience 2 – 5 Years

4.6.2.3 Working Experience 5 – 10 Years

4.6.2.4 Working Experience 10 – 15 Years

4.6.2.5 Working Experience 15 – 20 Years

4.6.2.6 Working Experience > 20 Years

4.6.3 Overall View and Comparison

4.7 Identify and Comparison between the Leadership Behaviour Underlying the Leaders of Consulting Firms and Contracting Firms

4.7.1 Consulting Firms Leaders’ Leadership behaviour

4.7.2 Contracting Firms Leaders’ Leadership behaviour

4.7.3 Comparison between Consulting Firms and Contracting Firms Leaders’ Leadership behaviour

4.7.3.1 Comparison of Transactional Leadership Behaviour

4.7.3.2 Comparison of Transformational Leadership Behaviour
CHAPTER V  DISCUSSION

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  
Appendix E  
Appendix F  
Appendix G  
Appendix H  
Appendix I 

200  
211  
214  
221  
242  
263
# List of Tables

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

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

4.20 Ranking of Subordinates' Preference Transformational Leadership Behaviour (Working Experience 5 to 10 Years)

4.21 Ranking of Subordinates' Preference Transformational Leadership Behaviour (Working Experience 10 to 15 Years)

4.22 Ranking of Subordinates' Preference Transformational Leadership Behaviour (Working Experience 15 to 20 Years)

4.23 Ranking of Subordinates' Preference Transformational Leadership Behaviour (Working Experience > 20 Years)

4.24 The Ratio of Consulting Firms Leaders' Leadership

4.25 Ranking of Consulting Firms Leaders' Transactional Leadership Behaviour

4.26 Ranking of Consulting Firms Leaders' Transformational Leadership Behaviour

4.27 The Category of Consulting Firms Leaders' Leadership Behaviour

4.28 The Ratio of Contracting Firms Leaders' Leadership

4.29 Ranking of Contracting Firms Leaders' Transactional Leadership Behaviour

4.30 Ranking of Contracting Firms Leaders' Transformational Leadership Behaviour

4.31 The Category of Contracting Firms Leaders' Leadership Behaviour

4.32 Comparison between Consulting Firms Contracting Firms Leaders' Transactional Leadership Behaviour

4.33 Comparison between Consulting Firms and Contracting Firms Leaders' Transformational Leadership Behaviour

4.34 Ratio of Consulting Firms Subordinates' Preference Leadership Behaviour

4.35 Ranking of Consulting Firms Subordinates' Preference Transactional Leadership Behaviour
<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.36</td>
<td>Ranking of Consulting Firms Subordinates' Preference Transformational Leadership Behaviour</td>
<td>136</td>
</tr>
<tr>
<td>4.37</td>
<td>Category of Consulting Firms Subordinates' Preference Leadership Behaviour</td>
<td>93</td>
</tr>
<tr>
<td>4.38</td>
<td>Ratio of Contracting Firms Subordinates' Preference Leadership Behaviour</td>
<td>95</td>
</tr>
<tr>
<td>4.39</td>
<td>Ranking of Contracting Firms Subordinates' Preference Transactional Leadership Behaviour</td>
<td>138</td>
</tr>
<tr>
<td>4.40</td>
<td>Ranking of Contracting Firms Subordinates' Preference Transformational Leadership Behaviour</td>
<td>139</td>
</tr>
<tr>
<td>4.41</td>
<td>Category of Contracting Firms Subordinates’ Preference Leadership Behaviour</td>
<td>96</td>
</tr>
<tr>
<td>4.42</td>
<td>Comparison between Consulting Firms and Contracting Firms Subordinates' Preference Transactional Leadership Behaviour</td>
<td>98</td>
</tr>
<tr>
<td>4.43</td>
<td>Comparison between Consulting Firms and Contracting Firms Subordinates' Preference Transformational Leadership Behaviour</td>
<td>99</td>
</tr>
<tr>
<td>4.44</td>
<td>The Ratio of Subordinates' Preference Leadership Behaviour by Employment Category</td>
<td>101</td>
</tr>
<tr>
<td>4.45</td>
<td>The Mean of Subordinates' Preference Leadership Behaviour by Employment Category</td>
<td>102</td>
</tr>
<tr>
<td>4.46</td>
<td>Result of T-Test for Hypothesis 1</td>
<td>141</td>
</tr>
<tr>
<td>4.47</td>
<td>Result of T-Test for Hypothesis 2</td>
<td>142</td>
</tr>
<tr>
<td>4.48</td>
<td>Result of One-way Test for Hypothesis 3</td>
<td>143</td>
</tr>
<tr>
<td>4.49</td>
<td>Result of Post Hoc Tests for Hypothesis 3</td>
<td>144</td>
</tr>
<tr>
<td>4.50</td>
<td>Result of T-Test for Hypothesis 4</td>
<td>145</td>
</tr>
<tr>
<td>4.51</td>
<td>Result of T-Test for Hypothesis 5</td>
<td>146</td>
</tr>
<tr>
<td>Section</td>
<td>Title</td>
<td>Page</td>
</tr>
<tr>
<td>---------</td>
<td>------------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>5.1</td>
<td>The Ratio, Mean and Frequency for Subordinates' Leadership Behaviour</td>
<td>148</td>
</tr>
<tr>
<td>5.2</td>
<td>The Ratio, Mean and Frequency for Subordinates' Preference Leadership Behaviour</td>
<td>150</td>
</tr>
<tr>
<td>5.3</td>
<td>Comparison of Ratio between Transactional Leadership and Transformational Leadership</td>
<td>153</td>
</tr>
<tr>
<td>5.4</td>
<td>Comparison of Mean between Transactional Leadership and Transformational Leadership</td>
<td>153</td>
</tr>
<tr>
<td>5.5</td>
<td>Comparison of Frequency between Transactional Leadership and Transformational Leadership</td>
<td>154</td>
</tr>
<tr>
<td>5.6</td>
<td>The Ratio for Subordinates' Preference Leadership Behaviour by different Working Experience Category</td>
<td>155</td>
</tr>
<tr>
<td>5.7</td>
<td>The Ratio of Leaders' Leadership Behaviour by Employment Category</td>
<td>157</td>
</tr>
<tr>
<td>5.8</td>
<td>The Mean of Leaders' Leadership Behaviour by Employment Category</td>
<td>158</td>
</tr>
<tr>
<td>5.9</td>
<td>The Frequency of Leaders' Leadership Behaviour by Employment Category</td>
<td>158</td>
</tr>
<tr>
<td>5.10</td>
<td>The Ratio of Subordinates' Preference Leadership Behaviour by Employment Category</td>
<td>160</td>
</tr>
<tr>
<td>5.11</td>
<td>The Mean of Subordinates' Preference Leadership Behaviour by Employment Category</td>
<td>160</td>
</tr>
<tr>
<td>5.12</td>
<td>The Frequency of Subordinates' Preference Leadership Behaviour by Employment Category</td>
<td>161</td>
</tr>
</tbody>
</table>
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>FIGURE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CHAPTER I</strong></td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td>Research Steps</td>
</tr>
<tr>
<td><strong>CHAPTER II</strong></td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>Transactional Leadership and Follower Effort (Bass, 1985)</td>
</tr>
<tr>
<td>2.2</td>
<td>Abraham Maslow’s Hierarchy of Needs (Goble, 1970)</td>
</tr>
<tr>
<td>2.3</td>
<td>Transformational Leadership and Extra Follower Effort (Bass, 1985)</td>
</tr>
<tr>
<td>2.4</td>
<td>Full Range Leadership Behaviour</td>
</tr>
<tr>
<td>2.5</td>
<td>Causal Relationship in Path-Goal Theory of Leadership (Yukl, 1994)</td>
</tr>
<tr>
<td>2.6</td>
<td>Causal Relationships in Fiedler’s Contingency Theory (Yukl, 1994)</td>
</tr>
<tr>
<td>2.7</td>
<td>Causal Relationships in the Multiple Linkage Model</td>
</tr>
<tr>
<td>2.8</td>
<td>Degrees of Three Leadership Styles (Bellows, 1959)</td>
</tr>
<tr>
<td>2.9</td>
<td>Leadership Style Influences (Gharehbaghi and Mcmanus, 2003)</td>
</tr>
<tr>
<td>2.10</td>
<td>Collective Wisdom of the Group (Mel Hensey, 1999)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
</tr>
<tr>
<td>14</td>
</tr>
<tr>
<td>17</td>
</tr>
<tr>
<td>19</td>
</tr>
<tr>
<td>25</td>
</tr>
<tr>
<td>34</td>
</tr>
<tr>
<td>37</td>
</tr>
<tr>
<td>39</td>
</tr>
<tr>
<td>43</td>
</tr>
<tr>
<td>45</td>
</tr>
<tr>
<td>47</td>
</tr>
</tbody>
</table>
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

<table>
<thead>
<tr>
<th>APPENDIX</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Questionnaire Form</td>
</tr>
<tr>
<td>B</td>
<td>Analysis of Questionnaire – Section A</td>
</tr>
<tr>
<td></td>
<td>Respondent Details</td>
</tr>
<tr>
<td>C</td>
<td>Analysis of Questionnaire – Section B</td>
</tr>
<tr>
<td></td>
<td>Your Leader’s Leadership Behaviour</td>
</tr>
<tr>
<td>D</td>
<td>Analysis of Questionnaire – Section C</td>
</tr>
<tr>
<td></td>
<td>Your Preference Leadership Behaviour</td>
</tr>
<tr>
<td>E</td>
<td>Questionnaire Analysis for Comparison Between</td>
</tr>
<tr>
<td></td>
<td>Subordinates’ Preference and Their Leaders’ Leadership</td>
</tr>
<tr>
<td></td>
<td>Behaviour</td>
</tr>
<tr>
<td>F</td>
<td>Questionnaire Analysis for Preference of Leadership</td>
</tr>
<tr>
<td></td>
<td>Behaviour and Subordinates’ Working Experience</td>
</tr>
<tr>
<td>G</td>
<td>Questionnaire Analysis for Comparison of Consulting Firms</td>
</tr>
<tr>
<td></td>
<td>and Contracting Firms Leaders’ Leadership Behaviour</td>
</tr>
<tr>
<td>H</td>
<td>Questionnaire Analysis for Comparison of Consulting Firms</td>
</tr>
<tr>
<td></td>
<td>and Contracting Firms Subordinates’ Preference Leadership</td>
</tr>
<tr>
<td></td>
<td>Behaviour</td>
</tr>
<tr>
<td>I</td>
<td>Analysis Outcome of Hypothesis Test</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>177</td>
</tr>
<tr>
<td>185</td>
</tr>
<tr>
<td>189</td>
</tr>
<tr>
<td>200</td>
</tr>
<tr>
<td>211</td>
</tr>
<tr>
<td>214</td>
</tr>
<tr>
<td>221</td>
</tr>
<tr>
<td>242</td>
</tr>
<tr>
<td>263</td>
</tr>
</tbody>
</table>
CHAPTER 1

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 Hensley, 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.

![Diagram of Research Steps]

Figure 1.1: Research Steps
REFERENCE


