

Midocean University
Faculty of Management
Bachelor of project management



Project title

**Interpersonal Leadership's Influence on Project
Management in Malaysian Non-Profit Organizations**

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Graduation Project – 1

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First semester- 2024

Table of Contents

1. Chapter 1: Introduction.....	2
1.1. Research Background	3
1.2. Research Problem	4
1.2.1. Theoretical Gaps	5
1.2.2. Practical Gaps	5
1.3. Research Significance	6
1.3.1. At the theoretical level.....	6
1.3.2. At the practical level	6
1.4. Research Questions	7
1.5. Research Objectives	7
1.6. Research Hypotheses	8
1.7. Research Model	8
1.8. Research Methodology	9
1.9. Scope of The Study	10
1.10. The Suggested Project Structure	11
2. Chapter 2: Literature Review.....	12
2.1. Introduction.....	13
2.2. The independent variable	13
2.3. The dependent variable	13
2.4. The relationship between the independent and the dependent variables	13
2.5. Conclusion	13
References.....	14

1. Chapter 1: Introduction

1.1. Research Background

Within the dynamic and diverse landscape of non-profit organizations (NPOs) in Malaysia, effective project management stands as not only a requisite but a transformative force driving substantial outcomes and fostering sustainable development. At the heart of this endeavour lies the pivotal role of interpersonal leadership, which serves as the linchpin in steering the trajectory of project initiatives. According to Smith & Lee (2023), interpersonal leadership encompasses the multifaceted abilities of leaders to cultivate profound connections, inspire cohesive teams, and deftly navigate the intricate dynamics inherent in collaborative undertakings in Malaysian non-profit organizations.

This study aims to delve deeply into the nuanced influence of interpersonal leadership on project management practices within Malaysian NPOs. By rigorously examining the interplay between leadership dynamics and project outcomes, this research endeavours to uncover strategic insights and methodologies that contribute decisively to project success within this sector. Understanding these intricate dynamics holds significant importance not only for fortifying organizational efficiency and efficacy but also for advancing the overarching goals of social impact and community development championed by Malaysian non-profit entities.

The significance of this study lies in its potential to shed light on effective leadership practices finely tuned to address the distinct challenges and opportunities faced by NPOs in Malaysia. By elucidating the profound impact of interpersonal leadership on project management, this research aspires to offer actionable recommendations that empower leaders and stakeholders to cultivate environments conducive to sustainable project achievements and meaningful societal progress. According to Johnson and Smith (2019), transformational leadership styles play a crucial role in enhancing organizational effectiveness by aligning leadership behaviours with the missions and goals of non-profit organizations.

In seeking to bridge theory and practice, this research will adopt a mixed-methods approach, combining qualitative interviews and quantitative surveys among leaders and project managers in Malaysian NPOs. The qualitative component will delve into the lived experiences and perceptions of leaders regarding interpersonal leadership's influence on project outcomes. Concurrently, the quantitative surveys will gather data on leadership styles, project management strategies, and their

perceived effectiveness, providing a comprehensive analysis of the relationships at play.

Moreover, the study will draw upon existing literature and case studies from global and regional contexts to enrich the analysis and provide comparative insights. By contextualizing findings within broader theoretical frameworks and empirical evidence, this research aims to offer robust conclusions and practical implications for enhancing leadership practices and optimizing project management outcomes within Malaysian NPOs.

Ultimately, this research endeavours to contribute substantively to the scholarly discourse on non-profit management and leadership, offering insights that are not only academically enriching but also practically relevant for stakeholders and practitioners in the field. By bridging the gap between research and application, this study aims to empower leaders to navigate complexities, inspire teams, and achieve enduring impact in their pursuit of societal betterment through non-profit initiatives in Malaysia.

1.2. Research Problem

Non-profit organizations (NPOs) in Malaysia rely heavily on effective project management to achieve significant societal impact and sustainable development. However, navigating the complexities of collaborative initiatives remains challenging. At the core of these challenges lies interpersonal leadership—the ability of leaders to foster connections, inspire teams, and navigate collaborative dynamics. Despite its importance, the specific impact of interpersonal leadership on project outcomes in Malaysian NPOs is not well understood. This study aims to explore how interpersonal leadership influences project management strategies and outcomes, aiming to provide insights that enhance organizational effectiveness and support community development goals. For instance, research by Cheah & Ting (2020) underscores the critical role of leadership in shaping project success in nonprofit organizations, highlighting the mediating influence of team effectiveness on the relationship between leadership behaviours and project outcomes. Such insights are crucial for enhancing the effectiveness of organizational practices within Malaysian NPOs, thereby contributing to broader community development objectives.

1.2.1. Theoretical Gaps

Current research on interpersonal leadership within Malaysian NPOs lacks detailed exploration of effective behaviours, hindering clear guidance for leaders. Additionally, understanding how interpersonal leadership aligns with Malaysian cultural norms and organizational structures is crucial for developing effective strategies. Moreover, there's limited insight into how different leadership styles directly impact project outcomes like completion rates and stakeholder satisfaction, critical for assessing effectiveness. Adopting a mixed-methods approach combining qualitative and quantitative methods is essential to comprehensively understand how interpersonal leadership influences project management in Malaysian NPOs. Lastly, the literature often prioritizes organizational efficiency over community development goals; investigating how interpersonal leadership can achieve both objectives is vital for holistic organizational success.

1.2.2. Practical Gaps

In the realm of Malaysian NPOs, there exists a practical gap in the systematic development and application of interpersonal leadership skills tailored to the unique challenges of project management. Many organizations lack structured frameworks or training programs specifically designed to cultivate effective interpersonal leadership among their leaders. This gap hinders the ability of NPO leaders to effectively foster connections, inspire teams, and navigate the intricate dynamics of collaborative initiatives, which are essential for achieving impactful societal outcomes. Additionally, there is often a disconnect between leadership development efforts and the practical integration of these skills into everyday project management practices. Leaders may struggle to translate theoretical knowledge of interpersonal leadership into actionable strategies that positively influence project outcomes such as stakeholder engagement, project sustainability, and community impact. Addressing these practical gaps requires a nuanced understanding of how interpersonal leadership can be effectively nurtured and applied within Malaysian NPOs to optimize project management strategies and advance community development goals.

"How does interpersonal leadership impact project management effectiveness in Malaysian non-profit organizations, and what strategies can enhance leadership practices to optimize project outcomes?"

1.3. Research Significance

There is a significant impact of interpersonal leadership on project management within Malaysian non-profit organizations (NPOs). By focusing on how interpersonal leadership behaviours shape project outcomes, the research underscores its theoretical and practical importance. The study contributes by providing empirical evidence and strategic insights that can enhance organizational efficiency, efficacy, and overall project success in Malaysian NPOs. Understanding these dynamics not only enriches academic discourse on non-profit management and leadership but also offers practical implications for stakeholders aiming to optimize community development goals. This research serves as a cornerstone for future studies seeking to refine leadership practices and strategies tailored to the unique challenges of NPOs in Malaysia, ultimately fostering sustainable societal impact and organizational resilience.

1.3.1. At the theoretical level

Interpersonal leadership significantly influences project management outcomes in Malaysian NPOs. This research enhances theoretical understanding by exploring how leadership behaviours shape these outcomes, offering frameworks for future research and practical applications. It aims to refine leadership strategies tailored to NPO challenges, contributing to informed decision-making and organizational resilience.

1.3.2. At the practical level

Beyond theory, this study provides empirical insights that enhance organizational efficiency and project success in Malaysian NPOs. It guides stakeholders in optimizing community development goals and implementing effective leadership

practices. By addressing specific NPO challenges, it aims to foster sustainable societal impact and organizational resilience.

1.4. Research Questions

General Research Question:

- How does interpersonal leadership influence project management effectiveness in Malaysian non-profit organizations, and what strategies can be implemented to enhance leadership practices for better project outcomes?

Sub-Research Questions:

- 1- How do interpersonal relationships between leaders and stakeholders affect project success in Malaysian non-profit organizations?
- 2- What best practices can be derived from successful Malaysian non-profit organizations to enhance interpersonal leadership and project management?
- 3- How does the cultural context of Malaysia influence interpersonal leadership practices in non-profit organizations?
- 4- What are the common challenges faced by leaders in Malaysian non-profit organizations that impact project management effectiveness?
- 5- What strategies can be implemented to improve interpersonal communication among leaders and team members in Malaysian non-profit organizations?

1.5. Research Objectives

Main Research Objective:

To investigate how interpersonal leadership influences project management effectiveness in Malaysian non-profit organizations and to identify strategies for enhancing leadership practices to improve project outcomes.

Sub-Research Objectives:

1. To identify and document best practices from successful Malaysian non-profit organizations that can enhance interpersonal leadership and project management.
2. To identify the common challenges faced by leaders in Malaysian non-profit organizations that impact their project management effectiveness.

3. To develop and propose strategies for improving interpersonal communication among leaders and team members in Malaysian non-profit organizations.

1.6. Research Hypotheses

Main hypothesis: Adopting strategies and practices such as leadership training programs, team-building activities, and regular feedback mechanisms will improve interpersonal leadership and subsequently enhance project management outcomes in Malaysian non-profit organizations.

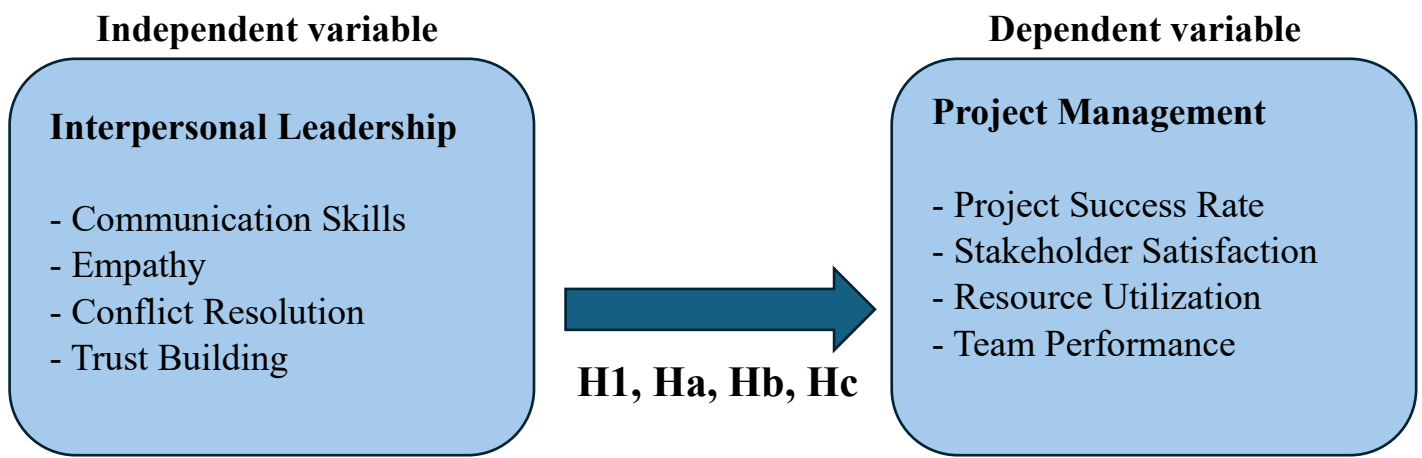
The first sub-hypothesis: Providing leadership training for leaders in Malaysian non-profit organizations will improve their interpersonal skills, which will help make projects more successful.

The second sub-hypothesis: Participating in team-building activities will improve teamwork and relationships among staff in Malaysian non-profit organizations, leading to better project outcomes.

The third sub-hypothesis: Using regular feedback will help leaders improve their interpersonal skills and, as a result, lead to better project management in Malaysian non-profit organizations.

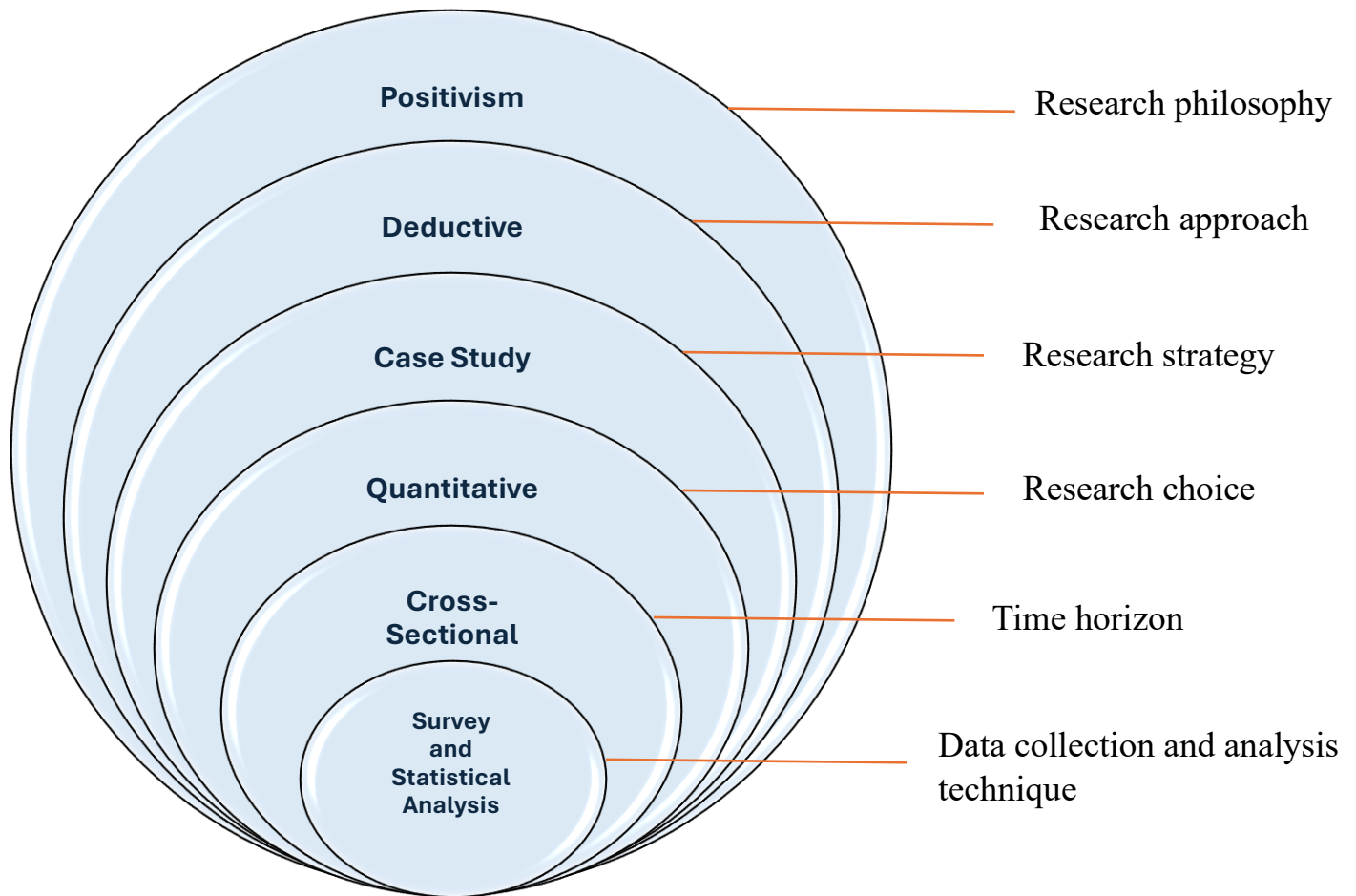
1.7. Research Model

The following figure shows the relationship between the research variables and the research hypotheses as follows:



Designed by Manal Abdulhakim Hussein Alamodi

1.8. Research Methodology



1.9. Scope of The Study

This study aims to investigate the impact of interpersonal leadership on project management effectiveness within Suka Society, a prominent non-governmental organization based in Malaysia. Suka Society is dedicated to [specific focus areas, e.g., youth development, social services, education, etc.]. The organization is committed to creating positive social change through a diverse range of programs and initiatives designed to support underserved communities.

Services Offered by Suka Society:

- **Youth Empowerment Programs:** These initiatives are designed to provide skills training, leadership development, and mentorship to young people, helping them realize their potential and contribute to society.
- **Social Welfare Services:** Suka Society offers support to individuals and families in need, including financial assistance, counselling, and emergency aid.
- **Educational Support:** The organization provides scholarships, tutoring, and educational resources to underprivileged students to enhance their academic opportunities.
- **Community Outreach:** Programs focused on building community engagement, fostering social cohesion, and addressing local issues through various community-driven projects.
- **Advocacy and Awareness Campaigns:** Initiatives aimed at raising awareness about critical social issues and advocating for policy changes to benefit marginalized groups.

1.10. The Suggested Project Structure



2.Chapter 2: Literature Review

2.1. Introduction

Brief introduction for the chapter

2.2. The independent variable

2.3. The dependent variable

2.4. The relationship between the independent and the dependent variables

2.5. Conclusion

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Appendices

Within the framework of my complementary study to obtain a bachelor's degree in project management, I am honoured to present my research titled: 'Interpersonal Leadership's Influence on Project Management in Malaysian Non-Profit Organizations.' To enhance the practical application of this study and gain valuable insights, we invite your thoughtful participation in these surveys.

Independent Variable Questionnaire: Interpersonal Leadership

Table 1. Comparative interpersonal leadership studies mid-1960s to the mid-1990s.

Authors ^a	Countries included in the study	Interpersonal leadership type of measures
Haire, Ghiselli, and Porter (1966)	3,641 Managers in 14 countries (Argentina, Belgium, Chile, Denmark, England, France, Germany, Italy, India, Japan, Norway, Spain, Sweden, and USA)	Democratic-participative vs. autocratic-directive leadership practices measured by assumptions and attitudes about: participation in decision-making, directing, instructions & information, rewards & punishment (e.g., no promotion)
Tannenbaum et al. (1974)	1,600 Employees in 5 countries (Austria, Israel, Italy, Yugoslavia, and USA)	Participative vs. authoritative-directive leadership practices measured by actual and ideal attitudes and behavior about: influence, participation in decision-making, interpersonal participation in decision-making (solicit and use subordinate opinions & suggestions), rewards and sanctions
Redding and Casey (1976)	1,000 Managers in 8 Asian countries (Hong Kong, Indonesia, Japan, Malaysia, the Philippines, Singapore, South Vietnam, and Thailand)	Democratic-participative vs. autocratic-directive leadership practices. Replication of Haire, Ghiselli, and Porter (1966) study
Sadler and Hofstede (1976)	3,073 Employees in 6 countries (Australia, Brazil, France, Germany, Japan, and UK)	Four leadership decision-making styles from "leader decides and tells subordinates," "leaders' decides and explains," "consults subordinate before decision-making" to "joint decision-making with subordinates" based on Tannenbaum and Schmidt (1973)
IDE (1979)	997 Employees in 12 countries (Belgium, Denmark, Finland, France, Germany, Great Britain, Italy, Israel, Netherlands, Norway, Sweden, and Yugoslavia)	Perceived and preferred decision-making method on a scale from: "subordinates not involved," "subordinates informed," "opinions given by subordinates," "subordinates' opinion taken into account," "equal weight in decision-making" to "subordinate's own decision"
Schaupp (1978)	800 Employees in 8 countries (Argentina, Canada, France, (West) Germany, India, Japan, Netherlands, and United Kingdom)	Perceived and preferred decision-making method on a scale from: from "leaders' own decision," "leaders decide but explain to subordinates" , "leaders consult subordinates before decision-making," to "consensus decision-making if possible"
Bass et al. (1979)	1,046 Managers from 12 national groupings (Belgium, Britain, [Germany and Austria data pooled], France, Iberia [Spanish and Portuguese data pooled], India, Italy, Japan, Latin America, the Netherlands, Nordic countries [Danish, Finnish, Norwegian and Swedish data pooled], and USA)	Democratic-participative vs. authoritarian-directive leadership were actual and ideal attitudes and behavior measured on four scales, each on a different topic: (1) use of authority in getting things done; (2) manipulation versus participation, (3) concern for the welfare of subordinates, and (4) task versus human relation concerns
Heller and Wilpert (1981)	1,500 Managers in 8 countries (France, Great Britain, (West) Germany, Israel, Netherlands, Spain, Sweden, and USA)	The "influence-participation continuum" decision-making methods measured on a scale: from "leaders' own decision," via "leaders decide but explain to subordinates," "leaders consult subordinates before decision-making," "joint decision-making with subordinates" to "delegation of decision-making to subordinates"
Al-Jafary and Hollingsworth (1983)	381 Managers in 4 countries in the Arabian Gulf Region (Bahrain, Qatar, Saudi Arabia and United Arab Emirates) plus USA	Autocratic vs. participative leadership systems using Likert's four systems; (1) exploitative authoritative, (2) benevolent authoritative, (3) consultative, and (4) participative (based on questions on leadership, decision-making, goal-setting, motivation and communication)
Bottger, Hallein, and Yetton (1985)	140 Managers in executive education from 4 geographical areas (Australia, Africa, Papua-New Guinea, Pacific islands)	Decision-making methods on a participation continuum including both individual and group-based alternatives: "leaders' own decision based on own information," "leaders decide with information from subordinates," "leaders solicit ideas and suggestions from individual subordinates before decision-making," "leaders solicit ideas and suggestions from groups of

(continued)

Table 1. Continued.

Authors ^a	Countries included in the study	Interpersonal leadership type of measures
		subordinates before decision-making," to "group decision-making, leader acts as chair in the discussion"
Tannenbaum and Rozgonyi (1986)	6 Countries (Bulgaria, Germany, Hungary, Ireland, Mexico, and Romania)	Participative vs. authoritative-directive leadership practices Replication of Tannenbaum et al. (1974) with other countries
Pavett and Morris (1995)	180 Managers in 5 countries (Italy, Mexico, Spain, UK and USA)	Degree of participation using Likert's four systems: (1) exploitative authoritative, (2) benevolent authoritative, (3) consultative, and (4) participative (based on questions on leadership, decision-making, goal-setting, motivation and communication)

^aPublications listed in chronological order of article publication.

Dependent Variable Questionnaire: Project Management

IJMPB
4,4

556

Table I.
The respondents and
their projects

Results	Australia	Canada	UK	All respondents	Original survey
Number of respondents	50	50	50	150	236
	<i>Number of responses</i>	<i>Number of responses</i>	<i>Number of responses</i>	<i>Percentage of total responses</i>	<i>Percentage of total responses</i>
<i>Project type</i>					
Construction	5	5	5	10.00	2.12
Defence	3	1	2	4.00	2.97
Engineering	4	6	0	6.67	8.05
Feasibility studies	1	4	1	4.00	2.12
Information technology	17	13	13	28.67	25.42
Other	3	9	3	10.00	12.71
Reorganisation	8	5	19	21.33	18.64
Research and development	2	1	2	3.33	11.86
Software development	4	3	4	7.33	11.02
Staff development/ training	3	3	1	4.67	5.08
<i>Project carried out for</i>					
A client	32	24	23	52.67	37.29
Within own organisation	18	26	27	47.33	62.71
<i>Industry sector</i>					
Construction	5	3	0	5.33	0.42
Defence	3	0	3	4.00	3.81
Education and training	2	1	6	6.00	2.54
Finance and insurance	6	5	6	11.33	19.92
Health care and social assistance	0	6	2	5.33	4.66
Information media and telecommunications	6	3	10	12.67	3.39
Manufacturing	5	1	2	5.33	8.47
Mining, quarrying, and oil and gas extraction	6	13	0	12.67	4.66
Other	4	9	11	16.00	24.15
Public administration	10	3	8	14.00	19.92
Utilities	3	5	1	6.00	3.39
Wholesale and retail trade	0	1	1	1.33	4.66
<i>Number of employees within organisation where project carried out</i>					
Fewer than ten	4	0	4	5.33	0.42
10-99	3	4	2	6.00	2.97
100-499	7	11	8	17.33	14.83
500-999	12	14	10	24.00	13.98
1,000 or more	24	21	26	47.33	67.80
<i>Number of people directly involved in the project including suppliers</i>					
Fewer than ten	8	7	3	12.00	44.44
10-99	29	31	34	62.67	47.50
100-499	6	10	8	16.00	6.39
500-999	4	1	4	6.00	0.83
1,000 or more	3	1	1	3.33	0.83
<i>Respondent's part in project</i>					
Consultant	6	4	6	10.67	6.36

(continued)

Results	Australia	Canada	UK	All respondents	Original survey	Current practice in project management
Managed project	32	20	30	54.67	62.71	557
Other	2	5	4	7.33	11.86	
Part of project team	10	21	10	27.33	19.07	
<i>Main decision maker</i>						
Joint (respondent and other(s))	23	23	26	48.00	32.63	
Other(s)	13	11	9	22.00	24.15	
Respondent	14	16	15	30.00	43.22	
<i>Project duration (one respondent from Australia did not reply)</i>						
Under six months	9	8	10	18.12	14.41	
Six to 12 months	18	19	20	38.26	36.86	
13-24 months	12	11	8	20.81	29.66	Table I.
25-36 months	5	9	7	14.09	13.14	
37-48 months	4	2	4	6.71	2.97	
49-60 months	1	1	0	1.34	1.27	
61 months or more	0	0	1	0.67	1.69	

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It`s Never Too Late to START. Just Begin!

Best of Luck 😊 *Dr. Mona Moustafa Elashry*