

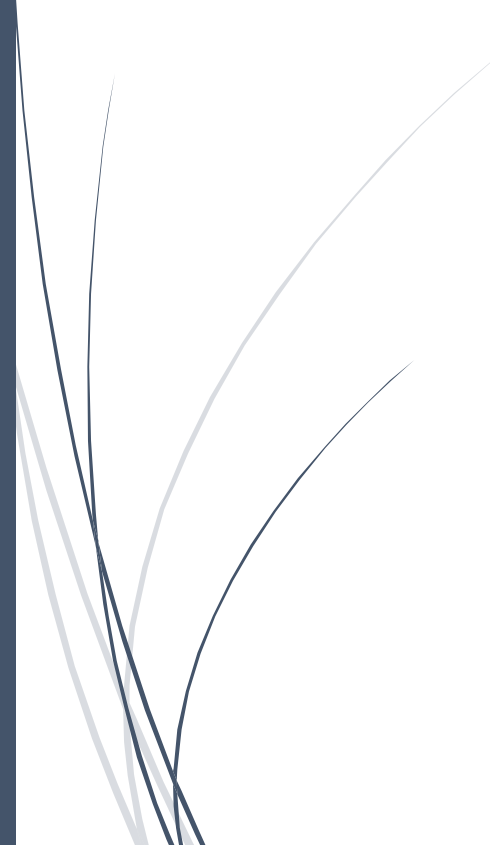


Final Project 2

PMG 497

Project Manager Leadership

The Impact of Project Manager Leadership on Team
Performance in Construction Projects in Saudi Arabia



Midocean University

Faculty of Management

Department/ Specialization



Project title:

Project Manager Leadership

The Impact of Project Manager Leadership on Team Performance in
Construction Projects in Saudi Arabia

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Final Project - 2

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Dedication

To my beloved parents, whose endless sacrifices and prayers have been the foundation of my success.

To all the faculty member- Faculty of management- Midocean University, who have guided me with wisdom and inspired me to strive for excellence.

To all project managers and construction professionals in Saudi Arabia, who work tirelessly to build the future of our nation.

And to everyone who believes in the power of leadership to transform teams and achieve greatness.

This work is dedicated to you.

From: Abdullah Mustafa Alkhateeb

Abstract

Purpose:

Methodology:

Findings:

Originality & Implication:

Keywords:

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1. Chapter 1: Introduction

1.1. Research Background

In today's fast-paced business world, the success of any project depends heavily on its leaders. Project managers guide teams, make critical decisions, and ensure work is completed on time and within budget. A project manager's leadership style can significantly impact team efficiency and project success.

Leadership in project management is not just about giving orders; it also involves motivating individuals, solving problems, and creating a work environment that empowers everyone to perform at their best. A successful project manager communicates clearly, supports team members when facing challenges, and makes fair decisions that benefit everyone.

When project managers demonstrate strong leadership skills, teams tend to be more motivated, productive, and satisfied with their work.

The construction sector in Saudi Arabia has experienced rapid growth in recent years. With mega-projects like NEOM, the Red Sea Project, numerous new cities, and ongoing infrastructure development, the demand for skilled project managers capable of effectively leading teams is increasing dramatically. These large-scale projects require strong leadership to manage complex tasks, coordinate the efforts of many individuals, and deliver high-quality results.

Research has shown that leadership style impacts team performance. Some leaders tend to be direct, dictating to team members exactly what to do. Others are supportive, encouraging team members to brainstorm and make their own decisions. A third group focuses on achieving goals and driving the team toward excellence. Each style has its strengths and weaknesses, and the optimal style often depends on the situation and the individuals involved.

In Saudi Arabia, the construction sector faces unique challenges. The workforce is diverse, with workers coming from different countries and backgrounds. Cultural differences, language barriers, and varying job expectations can make teamwork difficult. Therefore, the role of the project manager as a leader is increasingly important. A competent leader can bridge these differences and unite the team to achieve common goals.

Numerous studies have been conducted on leadership in general, but studies specifically focusing on the project manager's leadership role in the Saudi construction sector are few. This is a gap that needs to be filled. Understanding how project managers lead their teams, and how this impacts team performance, helps companies improve their project outcomes and achieve better results.

This study aims to explore the impact of project manager leadership on the performance of construction teams in Saudi Arabia. By examining how project managers lead their teams and their performance, this study seeks to provide

valuable insights for companies and project managers looking to develop their leadership skills and improve project outcomes.

The importance of this study extends beyond the construction sector to the broader field of project management.

Leadership is a fundamental factor in project success, and understanding its application within the Saudi context contributes to the development of effective leadership training programs and strategies. It can also enrich the growing body of knowledge about project management in the Middle East region.

1.2. Research Problem

Construction projects in Saudi Arabia face many challenges. Projects often run over budget, miss deadlines, or fail to meet quality standards. One of the main reasons for these problems is poor leadership. When project managers do not lead effectively, teams can become confused, unmotivated, and unproductive. This can lead to delays, mistakes, and conflicts among team members.

The problem is that we do not fully understand how project manager leadership affects team performance in the Saudi construction context. While there is plenty of research on leadership in other countries and industries, very little research has been done specifically on project managers in Saudi construction projects. This means that companies do not have clear guidance on what kind of leadership works best in this environment.

1.2.1. Theoretical Gaps

The existing literature on leadership provides many theories and models, but most of these were developed in Western contexts.

Theories like transformational leadership, transactional leadership, and situational leadership have been studied extensively in countries like the United States and Europe.

However, it is not clear whether these theories apply in the same way in Saudi Arabia.

The cultural and social context in Saudi Arabia is different from Western countries.

The work environment, the expectations of employees, and the way people interact with leaders may be different. This means that leadership theories developed elsewhere may not fully explain what happens in Saudi construction projects. There is a theoretical gap that needs to be addressed by studying leadership in this specific context.

1.2.2. Practical Gaps

On a practical level, construction companies in Saudi Arabia do not have enough information about what makes a project manager effective. Many companies rely on trial and error, or they follow practices from other countries without adapting them to the local context. This can lead to ineffective leadership and poor project outcomes.

Furthermore, there is a lack of training programs that are specifically designed for project managers in the Saudi construction industry. Without a clear understanding of the leadership skills that matter most, it is difficult to design effective training and development programs. This practical gap means that project managers may not be getting the support they need to lead their teams successfully.

Main Research Question:

What is the impact of project manager leadership on team performance in construction projects in Saudi Arabia?

1.3. Research Significance

This study is important for several reasons. It addresses both theoretical and practical gaps in our understanding of project manager leadership and team performance in the Saudi construction industry.

1.3.1. At the theoretical level

This research contributes to the academic literature by testing existing leadership theories in a new context. By studying project manager leadership in Saudi construction projects, this study helps to determine whether established theories apply in this environment or whether new models are needed.

The findings of this study can also help to build a more complete understanding of leadership in different cultural contexts. This is valuable for researchers who are interested in cross-cultural management and the factors that influence leadership effectiveness in different parts of the world.

1.3.2. At the practical level

For construction companies in Saudi Arabia, this research provides practical insights that can improve project outcomes. By understanding what leadership behaviors are most effective, companies can make better decisions about hiring, training, and developing project managers.

The study also has implications for project managers themselves. By learning about the leadership styles that lead to better team performance, project managers can improve their own skills and become more effective leaders. This can lead to better team morale, higher productivity, and more successful projects.

In addition, the findings of this study can help inform the development of training programs for project managers. By focusing on the leadership skills that matter most, training providers can design programs that are more relevant and effective for the Saudi construction industry.

1.4. Research Questions

1. What are the main leadership behaviors that project managers use in construction projects in Saudi Arabia?
2. How does project manager leadership affect team performance in construction projects?
3. What are the key leadership skills that help project managers lead their teams effectively?
4. How do project managers in Saudi Arabia handle challenges in leading diverse construction teams?

1.5. Research Objectives

1. To identify the leadership behaviors commonly used by project managers in construction projects in Saudi Arabia.
2. To examine the relationship between project manager leadership and team performance.
3. To determine the leadership skills that have the greatest impact on team performance.
4. To provide recommendations for improving project manager leadership in the Saudi construction industry.

1.6. Research Hypotheses

H1: There is a positive relationship between project manager leadership and team performance in construction projects in Saudi Arabia.

H2: Project managers who communicate clearly have teams with higher performance.

H3: Project managers who support their teams have teams with higher performance.

H4: Project managers who encourage new ideas have teams with higher performance.

H5: Project managers who make fair decisions have teams with higher performance.

H6: Project managers who provide regular feedback have teams with higher performance.

H7: Project managers who motivate their teams have teams with higher performance.

1.7. Research Model

The research model shows the relationship between project manager leadership and team performance. The independent variable is project manager leadership, and the dependent variable is team performance.

The study examines how different aspects of leadership affect team performance.

1.8. Scope of The Study

This study focuses on construction projects in Saudi Arabia. The research targets project managers and team members working in construction companies across different cities in the country. The study examines leadership behaviors and their impact on team performance, including communication, support, decision-making, feedback, and motivation.

The study is limited to the construction industry and may not apply to other industries. The findings are also specific to the Saudi context and may not be generalizable to other countries.

1.9. The Project Structure

This project is organized into five chapters.

Chapter 1 provides the introduction, including the background, problem statement, significance, research questions, objectives, hypotheses, and research model.

Chapter 2 presents a review of the literature on project manager leadership and team performance.

Chapter 3 describes the research methodology, including the research design, population, sample, data collection methods, and analysis procedures.

Chapter 4 presents the statistical analysis and findings.

Chapter 5 provides the conclusions, limitations, and recommendations.

2.Chapter 2: Literature Review

2.1. Introduction

This chapter reviews the existing literature on project manager leadership and team performance. The chapter is divided into several sections. First, it discusses the concept of project manager leadership, including definitions, theories, and key leadership behaviors. Second, it examines team performance, including definitions and measures. Third, it explores the relationship between leadership and team performance.

Finally, the chapter concludes with a summary of the key findings from the literature.

2.2. The independent variable

Leadership is the ability to guide, influence, and inspire others to work toward a common goal. In project management, leadership is especially important because project managers must coordinate the efforts of many people to complete complex tasks on time and within budget.

Several theories of leadership have been developed over the years. One of the most well-known is transformational leadership, which focuses on inspiring and motivating followers to achieve more than they thought possible. Transformational leaders are charismatic, they provide intellectual stimulation, and they give individualized consideration to their followers.

Another important theory is transactional leadership, which focuses on exchanges between leaders and followers. Transactional leaders use rewards and punishments to motivate their teams. They set clear expectations and provide feedback based on performance.

Situational leadership theory suggests that no single leadership style is best in all situations. Instead, leaders should adapt their style based on the needs of their followers and the demands of the situation. This theory recognizes that different situations require different leadership approaches.

In the context of project management, several leadership behaviors have been identified as important. These include clear communication, support for team members, encouragement of new ideas, fair decision-making, regular feedback, and motivation. Project managers who demonstrate these behaviors tend to have more successful projects.

Clear communication is essential for project success. Project managers must communicate goals, expectations, and updates to their teams. When communication is clear, team members understand what they need to do and can work more effectively.

Support is also important. Project managers who support their teams help team members solve problems and overcome challenges. This builds trust and creates a positive work environment.

Encouraging new ideas is another key leadership behavior. Project managers who listen to their team members and consider their suggestions can benefit from fresh perspectives and innovative solutions.

Fair decision-making helps build trust and respect. When team members believe that decisions are made fairly, they are more likely to accept them and work together effectively.

Regular feedback helps team members improve their performance and stay on track.

Project managers who provide feedback help their teams learn and grow.

Finally, motivation is essential for team performance. Project managers who motivate their teams can inspire them to work harder and achieve better results.

2.3. The dependent variable

Team performance refers to how well a team works together to achieve its goals. In project management, team performance is often measured by how well the team completes tasks on time, within budget, and to the required quality standards.

Several factors contribute to team performance. These include clear goals, good communication, trust among team members, effective leadership, and appropriate resources. When these factors are present, teams are more likely to perform well.

The performance of a team can be measured in different ways. Some measures focus on outcomes, such as whether the project was completed on time and within budget. Other measures focus on processes, such as how well team members communicate and cooperate with each other. Still others focus on individual performance, such as how well each team member contributes to the team's work.

2.4. The relationship between the independent and the dependent variables

Research has shown that leadership has a significant impact on team performance.

Leaders who communicate clearly, support their teams, and motivate their members tend to have teams that perform better.

Several studies have examined the relationship between leadership and team performance in different contexts. For example, a study by ... found that transformational leadership had a positive effect on team performance in ... Another study by ... found that leadership behaviors such as clear communication and support were associated with higher team performance.

In the construction industry, the relationship between leadership and team performance has also been studied. Researchers have found that project managers who lead effectively have teams that are more productive, more satisfied, and more likely to complete projects successfully.

The literature suggests that leadership affects team performance through several mechanisms. First, leaders help set clear goals and expectations, which guides team members in their work. Second, leaders provide support and resources, which helps team members overcome challenges. Third, leaders create a positive work environment, which motivates team members and encourages them to do their best work.

2.5. Conclusion

This chapter has reviewed the literature on project manager leadership and team performance. The literature shows that leadership is an important factor in team performance, and that project managers who demonstrate effective leadership behaviors tend to have teams that perform better.

The review has identified several leadership behaviors that are important for project managers, including clear communication, support, encouragement of new ideas, fair decision-making, regular feedback, and motivation. These behaviors help create a positive work environment and guide teams toward successful project completion.

However, the literature also shows that there are gaps in our understanding of leadership in the Saudi construction context. Most studies have been conducted in other countries and industries, and more research is needed to understand how project manager leadership affects team performance in Saudi Arabia.

3. Chapter 3: Research Methodology

3.1. Introduction

3.2. Operational definitions for research variables

3.3. Research design (research onion)

3.4. Research population & Sampling methods and technique

3.5. Data collection method

3.6. Types of data

3.7. Statistical analysis procedures

3.8. Conclusion

4. Chapter 4: Statistical Analysis & Findings discussion

4.1. Introduction

4.2. Sample profile (descriptive statistics for research sample)

4.3. Validity & reliability tests for the questionnaires

4.4. Descriptive statistics for research variables (answer research questions)

4.5. Testing Hypotheses & Findings Discussion

4.6. Conclusion

5. Chapter five: Research limitations, Recommendations & Conclusion

5.1. Research Limitations & Future Research

5.2. Research Recommendations

5.3. Conclusion

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Appendix A/

<https://forms.gle/2Xxvpecen2FjRXscA>

Manager Leadership Questionnaire	
Please choose the answer that best describes your project manager's leadership style.	
The project manager communicates goals clearly to the team	1: Strongly Disagree 2: Disagree 3: Neutral 4: Agree 5: Strongly Agree
The project manager makes decisions fairly for everyone	1: Strongly Disagree 2: Disagree 3: Neutral 4: Agree 5: Strongly Agree
The project manager provides regular feedback on my performance	1: Strongly Disagree 2: Disagree 3: Neutral 4: Agree 5: Strongly Agree
The project manager motivates the team to achieve high quality work	1: Strongly Disagree 2: Disagree 3: Neutral 4: Agree 5: Strongly Agree
I trust the project manager to lead the project to success	1: Strongly Disagree 2: Disagree 3: Neutral 4: Agree 5: Strongly Agree
The project manager supports the team when facing problem	1: Strongly Disagree 2: Disagree 3: Neutral 4: Agree 5: Strongly Agree
The project manager encourages team members to share new ideas	1: Strongly Disagree 2: Disagree 3: Neutral 4: Agree 5: Strongly Agree

Appendix B/

Table of Research Instruments

Variable	Dimensions	Number of Items	Source
Project Manager Leadership (Independent Variable)	Communication	1	Developed by the researcher (2026)
	Support	1	Developed by the researcher (2026)
	Encouragement of New Ideas	1	Developed by the researcher (2026)
	Fair Decision-Making	1	Developed by the researcher (2026)
	Regular Feedback	1	Developed by the researcher (2026)
	Motivation	1	Developed by the researcher (2026)
	Trust	1	Developed by the researcher (2026)
Overall	7		

Source: The Researcher (2026)