

Final Project 1

Code: MGM 496-PMG496

Faculty of Management
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Project Manager Leadership

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

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Date of submission – number of Semester

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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 influences team performance. Some leaders tend to be direct, dictating to team members exactly what they should do. Others adopt a supportive approach, 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 approach often depends on the situation and the individuals involved.

The construction sector in Saudi Arabia faces unique challenges. The workforce is diverse, with workers coming from different countries and backgrounds. Cultural differences, language barriers, and varying work expectations can complicate teamwork. 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 leadership role of the project manager 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 affects 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 who wish to develop their leadership skills and improve the results of their projects.

1.2. Research Problem

Construction projects in Saudi Arabia face numerous challenges, often exceeding budgets, missing deadlines, or failing to meet quality standards. Weak leadership is a major contributing factor. When project managers don't lead effectively, teams can become confused, lose motivation, and experience decreased productivity, potentially leading to delays, errors, and conflicts among team members.

The problem lies in our limited understanding of how project manager leadership impacts team performance in the Saudi construction sector. While numerous studies exist on leadership in other countries and sectors, research specifically focusing on project managers in Saudi construction projects is scarce. This means that companies lack clear guidance on the most appropriate leadership styles in this context.

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 contracting companies in Saudi Arabia, this research offers practical insights that contribute to improved project outcomes. By understanding the most effective leadership behaviors, companies can make better decisions regarding the recruitment, training, and development of project managers.

The study also has implications for project managers themselves. By identifying leadership styles that enhance team performance, project managers can develop their skills to become more effective leaders, leading to increased team morale, higher productivity, and greater project success.

Furthermore, the findings of this study contribute to the development of training programs for project managers. By focusing on the most critical leadership skills, training providers can design more relevant and effective programs for the Saudi contracting sector.

1.4. Research Questions

1.5. Research Objectives

1.6. Research Hypotheses

1.7. Research Model

1.8. Research Methodology

1.9. Scope of The Study

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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