

ANALYSIS OF MANAGEMENT STYLES IN CONSTRUCTION PROJECT MANAGEMENT- EVIDENCE FROM CONSTRUCTION COMPANIES IN ERBIL

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ABSTRACT

This study aims to examining the relationship among three management styles (autocratic style, democratic style, laissez faire style) with construction project management's effectiveness. The researcher used questionnaire to analyze this study. The study was carried out in different construction companies in Erbil, Kurdistan. 59 participants participated in this study. The multiple regression analysis used and the results revealed that the highest value was for democratic style; accordingly employees in construction companies would prefer to have managers with democratic styles. The researchers tested three different research hypothesis; the first research hypothesis was supported which stated of existing a relationship between autocratic style and project construction management's effectiveness, the second research hypothesis was supported which stated of existing a relationship between democratic style and project construction management's effectiveness and the last research hypothesis was supported, which stated that of existing a relationship between laissez faire style and project construction management's effectiveness.

Keywords: Construction Project Management, Effectiveness, Management Styles, Kurdistan.

I INTRODUCTION

The effectiveness of organization depends on the management style that it follows and plays key role in attaining success. Management style is common perspective of managers while associating with sub-ordinates in the

organization and applying authority on them to attain goals of organization. Effectiveness of organization's criteria factors as financial advancement, Technological leader, and improvement of sales rate or revenue rate, satisfaction of employees, goodwill, and combativeness on products and services of the company (Quang, 2002),.

One of the complex industries is Construction where it is the combination of various parties such as stakeholders, contractors, clients and other parties who are interested in decision making. Though it is complicated in nature, construction industry holds crucial role in progressing and attaining goals of the society. Construction industry is the largest among all industries in countries which are industrialized and contributes 10% of Gross National Product. Environment of construction Business in entire world has transformed with tremendous changes in operations of construction firms (Navon, et al., 2005).

II LITERATURE REVIEW

Management styles are different kinds and researchers used three styles for the purpose of doing current research. Three styles are autocratic, democratic and laissez-faire. Many researchers studied the behavior of managers towards their subordinates in an organization. Autocratic leadership style is traditional approach where managers hold more power in decision making than subordinates. Democratic style is also called participative style where managers encourage subordinates in involving the decision making process.

Laissez-faire style is also called "hands-off" style where manager gives complete freedom to the employees. The impact of managers varies as per the power type used on subordinates by the leaders" which increases efficiency and productivity of work (Mullins, 1998). Construction industry and supply chain of construction of a firm are benefited with enhancement of communication which is relational among participants of the project which is advantageous to contractors of the firm as per (Matthews et al. 2000).

Emphasis should be on style of network, value of measuring performance of networking and structure of network of various types of business organizations" performance like little training communities, partnerships, big associations and alliances of business. He proposed that the value of "intangible network value" is an assessment to exhibit the capacity of organization's network to produce opportunity and practicability(Anklam et al. 2007). The definition of Network as per Anklam et al. 2007, it is actors' collection and prospective relationships among the actors which are found.

The architecture, engineering and construction (AEC) industry is shifting towards Augmented Reality (AR). AR technology furnishes outstanding benefits to the clients in the construction industry by having access via visualization and simulations. This technology allows having interaction with virtual objects as well as actual objects to examine progress as per plan and actual status of construction project(Shin and Dunston, 2008).

III CONCEPTUAL FRAMEWORK

Research model

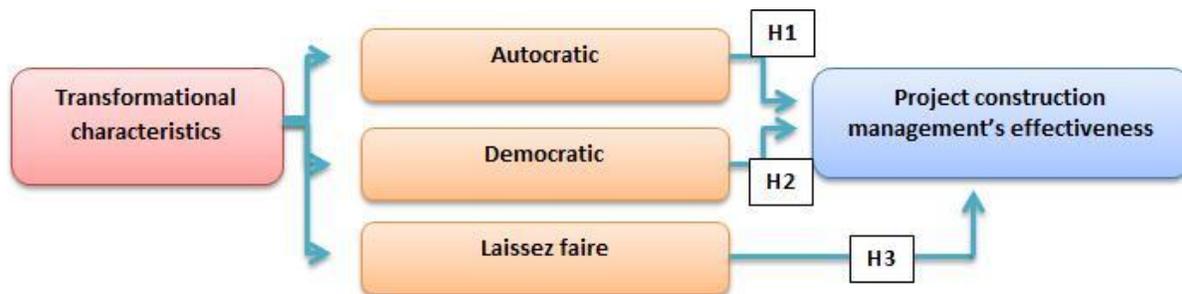


Figure 1-Research Model

Research Hypothesis:

As per mentioned research model, the researchers created the following research hypothesis:

H1: There is a positive relationship between management's autocratic style and project construction management's effectiveness

H2: There is a positive relationship between management's democratic style and project construction management's effectiveness

H3: There is a positive relationship between management's laissez faire style and project construction management's effectiveness

Methodology

The main purpose of this research is to analyze the relationship between three management styles (autocratic, democratic and laissez faire) with project construction management's effectiveness.

The researchers used quantitative method to analyze this research. The questionnaire was divided into two sections, the first section consisted of demographic questions; starting with respondent's age and respondents' gender. The second part of questionnaire consisted of 25 questions, 8 questions were related to autocratic management style, 7 questions were related to democratic management style, 7 questions were related to Laissez faire management style and 3 questions were related to construction project management's effectiveness. The sample size of this study was 59 units from different construction companies in Erbil, Kurdistan.

Demographic analysis

Table 1- Participants' gender

| Items | Frequency | Percentage |
|--------|-----------|------------|
| Male | 51 | 86.4 |
| Female | 8 | 13.6 |
| Total | 59 | 100.0 |

As seen in table (1), 51 participants from total of 59 participants were male and only eight participants from total of 59 participants were female participated in this study.

Table 2-Participants' age

| Items | Frequency | Percentage |
|-------|-----------|------------|
| 20-29 | 17 | 28.8 |
| 30-39 | 25 | 42.4 |
| 40-49 | 13 | 22.0 |
| 50+ | 4 | 6.8 |
| Total | 59 | 100.0 |

As seen in table (2), participants' age, 17 participants fall in group 20-29 years old, 25 participants fall in group 30-39 years old, 13 participants fall in group 40-49 years old and only four participants fall in group 50 years old and above.

Table 3-Reliability tests

| Variables | Cronbach's Alpha | N of Items |
|---|------------------|------------|
| Democratic style | .725 | 8 |
| Autocratic style | .701 | 7 |
| Laissez faire | .718 | 7 |
| Project construction management's effectiveness | .732 | 3 |

As seen in table (3), the reliability tests for three independent factors (autocratic style, democratic style and Laissez faire style) and project construction management's effectiveness as dependent variable. According to the reliability tests, the researchers found out that Cronbach's Alpha for democratic management style= .725> .6 which indicates that 8 items used for democratic management style were reliable, the Cronbach's Alpha for

autocratic management style = .701 > .6 which indicates that 7 items used for autocratic management style were reliable, the Cronbach's Alpha for Laissez faire management style = .718 > .6 which indicates that 7 items used for Laissez faire management style were reliable and the Cronbach's Alpha for Project construction management's effectiveness = .732 > .6 which indicates that 3 items used for Project construction management's effectiveness was reliable.

Table 4- Correlation analysis

| Correlations | | | | |
|---------------|---------------------|------------|------------|---------------|
| | | Autocratic | Democratic | Laissez faire |
| Effectiveness | Pearson Correlation | .637** | .817** | .660** |
| | Sig. (1-tailed) | .000 | .000 | .000 |
| | N | 59 | 59 | 59 |

** . Correlation is significant at the 0.01 level (1-tailed).
 * . Correlation is significant at the 0.05 level (1-tailed).

As seen in table (4), the correlation between independent variables (autocratic management style, democratic management style and Laissez faire management style) and project construction management's effectiveness as dependent variable. The value of R for between autocratic management style and project construction management's effectiveness = .637** which indicates that autocratic management style is positively and significantly correlated with project construction management's effectiveness, the value of R for between democratic management style and project construction management's effectiveness = .817** which indicates that democratic management style is positively and significantly correlated with project construction management's effectiveness and the value of R for between Laissez faire management style and project construction management's effectiveness = .660** which indicates that democratic management style is positively and significantly correlated with project construction management's effectiveness.

Table 5-Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .907 ^a | .824 | .814 | .31455 |

a. Predictors: (Constant), Laissez-faire, Autocratic, Democratic

As seen in table (5), the value of R square = .814 which indicates that 81% of variables have been explained.

Table 6-ANOVAa

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|----|-------------|--------|-------------------|
| 1 | Regression | 25.398 | 3 | 8.466 | 85.569 | .000 ^b |
| | Residual | 5.442 | 55 | .099 | | |
| | Total | 30.840 | 58 | | | |

a. Dependent Variable: effectiveness

b. Predictors: (Constant), Laissez faire, Autocratic, Democratic

Table (6) shows the value of F for an independent variables and a dependent variable is 85.569>1 which indicates there is a significant association between four independent variables and dependent variable.

Table 7-Coefficientsa

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|----------------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -3.161 | .492 | | -6.419 | .000 |
| | Autocratic | .680 | .101 | .409 | 6.757 | .000 |
| | Democratic | .792 | .124 | .549 | 6.413 | .000 |
| | Laissez faire | .401 | .190 | .173 | 2.106 | .040 |

a. Dependent Variable: effectiveness

As seen in table (7), multiple regression analysis used to analyze the current study. The Beta value between autocratic factor and project construction management’s effectiveness = .680 which is greater than 0.01 this indicates of existing a strong relationship between autocratic style and project construction management’s effectiveness, the Beta value between democratic style and project construction management’s effectiveness = .792 this indicates of existing a strong relationship between democratic style and project construction management’s effectiveness and finally, the Beta value between laissez faire and project construction management’s effectiveness=.401 this indicate of existing a weak and positive relationship between laissez faire and project construction management’s effectiveness.

IV CONCLUSIONS

According to multiple regression analysis the researchers came to conclude that employees in construction companies would prefer to have managers with democratic styles. As seen in table(7), the highest value was for

democratic style. The researchers tested research hypothesis based on multiple regression analysis which revealed a positive relationship between autocratic style and project construction management's effectiveness, accordingly the first research hypothesis supported, there is a strong and positive relationship between democratic style and project construction management's effectiveness; therefore the second research hypothesis supported and finally, there is a weak and positive relationship between laissez faire and project construction management's effectiveness, the third research hypothesis supported.

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