Emotional Intelligence and Transformational Leadership in the NZ and UK Construction Industry

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Dedication

In memory of Margaret Bailey
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Abstract

Productivity and project performance is paramount within the construction industry. Low levels of productivity and performance has been attributed to poor leadership of construction project managers. The Chartered Institute of Building (CIOB) highlighted the need for influential leaders to respond to the evolving social, economic and environmental constraints of the construction industry.

Previous research in other sectors, has shown that transformational leaders can contribute to positive project outcomes from their teams. Despite the link, little research has been conducted in respect of this leadership style within the construction industry. The purpose of this study was to investigate the relationship between the transformational leadership style and emotional intelligence, for construction project managers in NZ and the UK. To achieve this aim, three key objectives were to: 1) identify the most prevalent leadership style adopted by construction project managers; 2) identify the average emotional intelligence of construction project managers working in NZ and the UK; 3) determine if there is a significant correlation between the construction project managers emotional intelligence and transformational leadership style adopted.

An online questionnaire was administered to construction project managers who were recruited from the project managers practicing in NZ (N=38) and the UK (N=34). The findings revealed that the most prevalent leadership style for construction project managers was transformational leadership. Over two thirds (73%) of participants self-reported this leadership style. These results are important as they confirm the current situation in terms of leadership style, identify the potential scope for improvement and act as a point of comparison for future leadership improvements to be calculated. The average emotional intelligence (EI) score for participants was 78 with a range between 60 and 95. This quantification provides a benchmark against which others can be measured. The results confirmed a significant positive relationship between a construction project managers’ emotional intelligence and the likelihood that they would employ a
transformational leadership style. It also established that the project managers’ ability to effectively use their emotions with their project team was the main element responsible for transformational leadership to come into effect. There were no significant differences found between the UK and NZ samples. These combined results are important, as they will assist with the identification and selection of those with high emotional intelligence, most suited to the challenging and demanding role of the construction project manager.

Based on the findings, a number of practical implications for the construction industry have been made, including suitable methods for identification, recruitment and training of project managers. These recommendations have the potential to improve leadership and the associated project performance in the construction industry at a time of much needed change.
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List of Acronyms

Bar-On EQi: Reuven Bar-On Emotional Quotient Intelligence Test
CIOB: Chartered Institute of Building
CPM: Construction Project Manager
CR: Contingent Reward
EI: Emotional Intelligence
IC: Individualised Consideration
II: Idealised Influence
IIA: Idealised Influence Attributes
IIB: Idealised Influence Behaviour
IM: Inspired Motivation
IQ: Intelligence Quotient
IS: Intellectual Stimulation
LFL: Laissez-Faire Leadership
MBEA: Management By Exception (Attributes)
MBEP: Management By Exception (Behaviour)
MLQ: Multifactor Leadership Questionnaire
MLQ 5X: Multifactor Leadership Questionnaire Short Form
NZ: New Zealand
PAL: Passive Avoidant Leadership
PALs: Passive Avoidant Leaders
PM: Project Manager
RICS: Royal Institute of Chartered Surveyors
TL: Transformational Leadership