

FACTORS INFLUENCING PROJECT MANAGEMENT LEADERSHIP SKILLS ON THE PERFORMANCE OF CONSTRUCTION INDUSTRY: A CASE OF SELECTED CONSTRUCTION COMPANIES IN NAIROBI CITY COUNTY

¹Akwale Okumu Daniel, ²Dr. Kepha Ombui

¹Masters' of Science in Project Management

²Senior Lecturer

^{1,2}Jomo Kenyatta University of Agriculture and Technology, School of Entrepreneurship, Procurement and Management, P.O Box 62000-00200 Nairobi, Kenya

Abstract: The success of any project is highly dependent on its completion time from start to delivery of results communication has to adhere as one of the main component in constructions. The specific objective for this study were; to determine the role of project planning skills on construction projects performance on construction companies in Nairobi city county; to assess the role of communication skills on construction projects performance on construction companies in Nairobi city county; to assess the role of risk management skills on construction projects performance on construction companies in Nairobi. City county; and to access monitoring and evaluation on construction projects performance on construction performance on companies in Nairobi city county The scope of the study were carried out in Nairobi city County, This study adopted descriptive research design The study adopted a descriptive research design with a target population of 111 staffs working at the construction companies in Nairobi city County, which generated a sample of 33 respondents. Questionnaires was the main data collection instruments. The study employed both quantitative and qualitative research in its data analysis. Data was presented using tables. The study found out that Projects are constrained by inadequate planning skills that are required for effective planning for project success; Project planning is complicated and risky, hence requires varying skills sets for successful project implementation and management; Increasing complexity in the projects with pressure of time and costs has led to the introduction of high quality software and hardware which requires skilled planning.

Keywords: Leadership Skills, Performance and Constructions.

1. INTRODUCTION

Background of the study:

Project management is the art and science of managing all aspects of the projects to achieve the project mission objective, within the specified time, budgeted cost, and pre-defined quality specification working efficiently, effectively, and ethically in the changing project environments (Chan et al., 2009). According to PMI [Project Management Institute] (2004) projects are a means of organizing activities that cannot be addressed within organizations normal operations.

Projects are utilized as a means of achieving an organization's strategic plan, whether the team is employed by the organization or is contracted to provide the service. Project management involves coordinating various aspects of a project to bring forth a positive result. This coordination can include elements such as personnel, materials, procedures, and facilities. Indeed, browsing through an online bookshop will reveal thousands of titles focused on improving the practice and discipline of project management. Yet, as many scholars seek to expand the horizons and boundaries of what is known by identifying, exploring and exploiting new territory, some of the most fundamental insights remain buried in older source material. Over the past five to ten years, there have been increasing challenges faced by Project Managers. Some of the aspects of project management that are particularly challenging are (TRM) time, the result (quality of the output of the project) and means (resources) (Wysocki, 2014). Evidence suggests that this is far from the truth. Hence, the construction industry needs to pay special attention to critical success factors, besides the 'iron triangle (or the sometimes used term: golden triangle), if it is to survive the challenges posed by globalization (Toor & Ogunlana, 2005).

The construction sector in Kenya is very important for the Kenyan economy because it contributes close to 5 per cent of the country's gross domestic product (GDP) and employing more than one million people. According to report by Kenya National Bureau of Statistics (KNBS), the economy of Kenya grew by 4.9 per cent in the first quarter of 2011 due to the improved productivity in the construction industry. This can be attributed to higher public investment in infrastructure by the Government of Kenya (African Economic Outlook, 2012).

Kenya has engaged in deliberate effort to improve the construction sector since attaining her independence in 1963. In 1967, through an Act of Parliament, the Kenyan government set up a National Construction Corporation (NCC) to train African contractors in construction business management. The main function of NCC was to "promote, assist, and develop the construction industry" (Republic of Kenya, NCC Act 1972). It also operated as an architectural and engineering firm and it can own and manage either a management institute or a technical college, operate manufacturing business and own construction equipment for commercial use. Furthermore, the NCC Act permitted the corporation to have a say in the design of the syllabi at institutions that train personnel for the construction industry. This corporation, however, lasted for only 25 years as it was disbanded in 1992 mainly for having failed to indigenize the construction industry.

Some notable projects in Kenya include the Konza Technology City dubbed "Africa's Silicon Valley" which if completed will be the single largest property development ever done in Kenya. It costs a whopping US\$ 14.5 billion after commencing in January 2013 and is to be completed by 2030. Another development is Tatu City which is a property development by Moscow-based Renaissance Partners.

The development will cost US\$ 2.5 billion; groundbreaking commenced in early 2013. In Mombasa County one of the most notable real estate developments is the English Point Marina in Nyali which will be east and central Africa's first floating pontoon marina. It will offer apartment living in the comfort, luxury and security of a hotel and will be managed by Pinewood Village Beach Resort. Units sold cost between KES. 36 and 150 million (US\$ 410,000 – US\$ 1.8 million). Despite the high prices, the units are almost sold out. The total cost of the project is about KES. 4.8 billion (US\$ 60 million). As of March 2013 the project was 30% complete (Hass property guide, 2014).

Statement of the problem:

Many of the time cases of collapse building has happened Nairobi County this has made Construction business becoming more complex .A more sophisticated approach is dire in need to deal with initiating, planning, financing, designing, approving, implementing, and completing a project. Many of the cases of abandonment of projects due to inadequate planning, finances delay in payment and political factors among the many its an order of the day, Shanty shelters and low living standard, and unemployment, wastage of resources, decrease in tempo of economic activities and decrease in revenue to government and many other enlist reasons and this all pile to leadership incompetent project managers leadership skills are many. There are many constructed projects which fail in time performance, others fail in cost performance and others fail in other performance indicators. In addition there are other indicators of performance in construction projects such as project manager's competence, coordination between participants, monitoring, and feedback and leadership skills. This study therefore sought to investigate factors influencing project management leadership skills on the Performance of construction industry in Nairobi.

2. THEORETICAL FRAMEWORK

Management Theory:

Management is the process of designing and maintaining an environment in which individuals, working together in groups, efficiently accomplish selected aims (Koontz and Weihrich, 2000). In its expanded form, this basic definition means several things. First, as managers, people carry out the managerial functions of planning, organizing, staffing, leading, and controlling. Second, management applies to any kind of organization. Third, management applies to managers at all organizational levels. Fourth, the aim of all managers is the same to create surplus. Finally, managing is concerned with productivity this implies effectiveness and efficiency.

Managing, like all other practices whether medicine, music composition, engineering, accountancy, or even baseball is an art; it is know-how. It is doing things in the light of the realities of a situation. Yet managers can work better by using the organized knowledge about management. It is this knowledge that constitutes science. However, the science underlying managing is fairly crude and inexact. This is true because the many variables with which managers deal are extremely complex. Nevertheless, such management knowledge can certainly improve managerial practice. Managers who attempt to manage without management science must put their trust to luck, intuition, or what they did in the past (Gardiner, 2000). In managing, as in any other field, unless practitioners are to learn by trial and error, there are no place they can turn for meaningful guidance other than the accumulated knowledge underlying their practice; this accumulated knowledge is theory. For practical purposes, all managers must develop three sets of skills, namely; conceptual, technical, and human (Peterson 2004)

Theory of Performance (ToP):

The Theory of Performance (ToP) develops and relates six foundational concepts to form a framework that can be used to explain performance as well as performance improvements. To perform is to produce valued results. A performer can be an individual or group of people engaging in a collaborative effort. Developing performance is a journey, and level of performance describes location in the journey. Current level of performance depends holistically on 6 components: context, level of knowledge, levels of skills, level of identity, personal factors, and fixed factors. Three axioms are proposed for effective performance improvements.

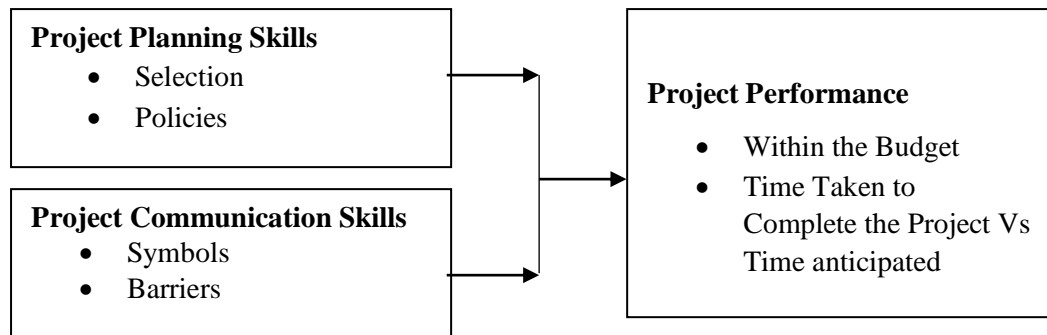
According to Hijzen, Görg & Hine (2005 these involve a performer's mindset, immersion in an enriching environment, and engagement in reflective practice. Performance advancing through levels where the labels —Level 1,|| —Level 2,|| etc. are used to characterize effectiveness of performance. That is, a person or organization at Level 3 is performing better than a person or organization at Level 2, performing at a higher level produces results that can be classified into categories:(i)Quality increases—results or products are more effective in meeting or exceeding the expectations of stakeholders produce a result goes down; amount of waste goes down, (ii)capability increases—ability to tackle more challenging performances or projects increases,(iii) capacity increases—ability to generate more throughput increases, (iv) knowledge increases—depth and breadth of knowledge increases,(v) skills increase—abilities to set goals persist, maintain a positive outlook, etc. increase in breadth of application and in effectiveness and(vi) identity and motivation increases—individuals develop more sense of who they are as professionals; organizations develop their essence.

Resource –Based View:

The core premise of the resource -based view is that organizational resources and capabilities can vary significantly across firms, and that these differences can be stable. If resources and capabilities of a firm are mixed and deployed in a proper way they can create competitive advantage for the firm. Firms with higher competitive advantage tend to create a sense of confidence in stakeholders that their support, whether financial or otherwise, will be valued and put into action. The resource-based view in outsourcing builds from a proposition that an organization that lacks valuable, rare, inimitable and organized resources and capabilities, shall seek for an external provider in order to overcome that weakness (Müller & Jugdev, 2012).

The focus of the agency theory originally was on the relationship between managers and stakeholders (Hair, 2006), but had spread over the time on explaining the relationship between two inter-firm subjects. In that context we associate the agency theory to understanding the relationship between the firm and the outsourced resources (Dvir, Sadeh & Malach-Pines, 2006). Stakeholders will want to be involved in projects that have the resources available well managed. Outsourced resources tend to facilitate the reduction of costs of the entire project. Thus, stakeholders can be convinced that the project managers are working towards the achievement of the project at minimum costs for maximum utility and benefit

The Conceptual Framework:



Research Gaps:

Construction projects are notorious for failing to complete in time being over budgeted, late and saddled with scope creep, and especially poor communication protocols and inadequate controls around scope change management this especially pronounced in nonprofit organizations (Guerin, 2012). Timely completion of construction project is fundamental if the project objectives and success is to be achieved. A project that is completed in time exhibits overall efficiency of project planning, management and implementation and effective tracking project progress.

3. DATA ANALYSIS, PRESENTATION AND INTERPRETATION

Response Rate:

The study targeted 33 respondents on factors influencing project management leadership skills on the performance of construction industry. A case of selected construction companies in Nairobi County of which all responded making a response rate of 50%. And more This reasonable response rate was made a reality after the researcher made personal calls and visits to remind the respondent to fill-in and return the questionnaires.

Gender of respondents:

The study found it paramount to determine the respondents’ gender in order to ascertain whether there was gender parity in the positions indicated by the respondents. According to the analysis it was evident that majority of the respondents were male which represented 61% while 39% were female.

Project Planning Skills:

The first objective of the study was to assess the role of Project Planning skills on performance of construction industry. A case of selected construction Companies in Nairobi City County. The respondents were asked to indicate the role of project planning skills on performance of construction projects undertaken by construction companies in Nairobi county On a Likert scale of 5 to 1 where 5 means very great extent and 1 very low extent,19 of the respondents and 7 indicated that planning skills influences role of management skills to a very great extent and great extent respectively while 4 of them suggested that it only influences to a moderate extent. The remaining 2 and another 1 respondent indicated that planning do influence performance of projects but to low and very low extents respectively. The findings of the study are displayed in table 3.1

Table 3.1 Level of Agreement(x) Frequency (f) proportion fx

| | | | | |
|-------------------|---|----|--------|-----|
| Very great extent | 5 | 19 | 57.58% | 95 |
| Great extent | 4 | 7 | 21.21% | 28 |
| Moderate extent | 3 | 4 | 12.12% | 12 |
| Low extent | 2 | 2 | 6.06% | 4 |
| Very low extent | 1 | 2 | 6.06 % | 2 |
| Total | | 33 | 100% | 140 |

Mean = $\sum fx/n$: $140/33=4.242$; This indicates that planning skills influence project management skills to a great extent.

Communication Skills:

The second objective of the study was to assess the role of project communication skills on construction projects in construction industry in Nairobi City county. The respondents were therefore presented with questions and statements aimed at answering the resultant research question. On a likert scale of 5 to 1 where 5 means very great extent and 1 very low extent, 14 of the respondents and 9 indicated that communication skills influences role of management skills to a very great extent and great extent respectively while 6 of them suggested that it only influences to a moderate extent. The remaining 4 indicated that communication do influence performance of projects but to low extent while none of the respondents suggested that it influences performance to a very low extent as shown in table 3.2

Table 3.2

| | Level of Agreement(x) | Frequency (f) | proportion | fx |
|-------------------|-----------------------|---------------|------------|-----|
| Very great extent | 5 | 14 | 42.42% | 70 |
| Great extent | 4 | 9 | 27.27% | 36 |
| Moderate extent | 3 | 6 | 18.18% | 18 |
| Low extent | 2 | 4 | 6.06% | 8 |
| Very low extent | 1 | 0 | 0.00% | 0 |
| Total | | 33 | 100% | 132 |

Mean = $\sum fx/n$: $132/33=4$; a clear indication that project communication skills influence project management skills to great extent.

4. SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSION AND RECOMMENDATION

Summary of findings:

1. Study was to assess the role of Project Planning skills on performance of construction industry in Nairobi City County. The respondents were asked to indicate the role of project planning skills on construction projects undertaken by construction. The majority (95%) of the respondents indicated that project planning skills on construction projects undertaken by construction companies in Nairobi City County while 5% disagreed to indicated the role of project planning skills on construction companies in Nairobi County.

2. Project communication skills, the respondents were asked does employee communication influence the role of project management leadership skills on Performance on the construction industry. The majority (88%) of the respondents indicated that employee communication influence project management leadership skills on construction companies in Nairobi city county 12% disagreed.

In all this, employee communication management must ensure that adequate plans and resources exist to recruit, motivate, train and develop employee’s communication..

Conclusion:

The study concludes that

- Investing in adequate professional and technical skills required in project management is an important foundation for ensuring the success of each project.
- Poor project management skills may result in wastage of resources, time, and distortion in quality of the final product or even total project failure. The amount of time and effort dedicated to planning as an element of project management influences the success or failure of a project. The more effort and time applied, the higher the probability that the project will achieve its set objectives.

REFERENCES

[1] Ahmed, S.M., Azhar, S., Castillo, M., Kappagantulla, P. (2002). Construction delays in florida: An Empirical Study. Florida: State of Florida Department of Community Affairs.

[2] Aibinu, A.A., Jagboro.G.O. (2002). The effects of construction delays on project delivery in Nigerian Construcion Industry, International Journal of Project Management , Vol. 20, pp. 593-599.

- [3] Aon plc. (2012) A growing US alternative project delivery market. Thought leadership series. London, England: Author.
- [4] Ayudhya, B. I. N.(2011), Evaluation of Common Delay Causes of Construction. Journal of Civil Engineering and Architecture, Vol. 5, No. 1, pp. 1027-1034.
- [5] Bennett D.F.H. & Gordon R.W. (1990) Project profile broadwalk house case study report. British Cement Association. Wexham Springs, United Kingdom.
- [6] Chai, S.C., Yusof A.M. (2013) Reclassifying Housing delivery Delay Classification. International Journal of Business Management, Vol. 8, No. 22, pp. 107-117.
- [7] Chism, N., Armstrong, G. (2010, september). Project delivery strategy:getting it right. KPMG International , pp.1-24.
- [8] DLA Piper. (2011). EPC Contracts in the process plant sector. Brisbane. Retrieved from www.dlapiper.com/.../epc-contract-process-plant-sector
- [9] Fapohunda, J.A, Stephenson, P. (2010). Optimal construction resources utilization: Reflections of site managers' attributes. Pacific Journal of Science and Technology. Vol. 11, NO. 2, pp. 353-365.
- [10] Gaba, G. (2013). The impact of project delivery systems, cost minimisations and project control on construction project success. Evidence from Ghana (Master's thesis). University College London, London, United Kingdom.
- [11] Gakuu, C.M, Kidombo, H.J.(2013). Research Methods(Unpublished Lecture Notes). University of Nairobi, Kenya
- [12] Ganiyu, B.O., Zubairu, I.K. (2010). Project cost prediction model using principal component regression for public building projects in nigeria. Journal of Building Performance ISSN: 2180-2106 Vol. 1 Issue 1 , pp. 21-28.
- [13] Government of the Republic of Kenya. (2007). Kenya Vision 2030. Retrieved from <http://www.vision2030.go.ke/>
- [14] Hussin, A.A., Omran, A. (2011). Implication of non-completion projects in Malaysia. ACTA Technica Corviniensis-Bulletin of Engineering, University Polytechnica Timisoara. Romania.
- [15] International Federation of Consulting Engineers. (1999). Conditions of Contract for EPC/Turnkey Projects. Geneva, Switzerland: Author.
- [16] Jha, K.N., Iyer K.C.(2006). Critical Factors Affecting Quality Performance in Construction Projects. Total Quality Management Vol. 17, No. 9 , pp. 1155–1170.
- [17] Kenig, M. A., Allison, M., Black, B., Burdi, L., Colella, C., Davis, H.,...Williams, L. (2010). Integrated Project DeliveryFor Public and Private Owners. Washington DC: Authors
- [18] Kenya National Bureau of Statistics. (2012).Kenya Facts and Figures. Nairobi, Kenya. Author
- [19] Koushki, P. A., Al-Rashid, K., Kartam, N.(2005). Delays and cost increases in the construction of private residential projects in Kuwait. Construction Management and Economics Vol.23, pp. 285–294.
- [20] Mark, G. (2006, January 24). The WSDOT Cost Estimate Validation Process®. A paper presented at the Washington State Department of Transportation TRB Conference. Washington D.C
- [21] Matesehe, L.K. (2013) Project Financing (Unpublished Lecture Notes). University of Nairobi, Kenya.
- [22] McMiniminee, J.C, Shaftlin, S, Warne, T.R., Detmer, S.S., Lester, M.C., Mroczka G.F.,...Yew, C. (2009). Best Practices in Project Management project delivery. Scan Management Arora and Associates, P.C. Washington DC.
- [23] Mojahed, S. (2005). A project improvement system for effective management of construction projects.(Master's thesis). Louisiana State University, Louisiana,USA.
- [24] Mugenda O.M, Mugenda, A.G. (2003). Research Methods: Quantitative and qualitative approaches. Nairobi, Kenya:African Center for Technology Studies.
- [25] Ndegwa, M.K. (2013) Factors that influence the adoption of metal silo business among the trained artisans: a case of CIMMYT trained artisans (Master's thesis). University of Nairobi, Nairobi, Kenya.

- [26] OLATUNJI, A. A. (2010). Influences on construction project delivery time.(PhD. thesis). Nelson Mandela Metropolitan University, Estern Cape, South Africa.
- [27] Omran, A., Abdalrahman, S., Pakir, A.H.K. (2012). Project Performance in Sudan Construction Industry:A Case Study, Academic Research Journals (India) , Vol. 1, No. 1 pp. 55-78.
- [28] Ramanathan, C., Narayanan S., Idrus, A.B. (2012) Construction delays causing risks on time and Cost-a critical review, Australasian Journal of Construction Economics and Building, Vol. 12 N0. 1, pp. 37-57
- [29] Saleemi, N.A. (1997). Statistics simplified. Nairobi, Kenya: Saleemi Publications Ltd.
- [30] Sambasivan, M., Soon, Y.W. (2007). Causes and effects of delays in Malaysian construction industry, International Journal of Project Management , Vol 25 (2007) pp.517–526.
- [31] Tabishl S. Z. S., Jha, K. N. (2011, September 16-18). Important Factors for Success of Public Construction Projects. A paper presented at the 2nd International Conference on Construction and Project Management. Singapore.
- [32] Thornton, M.D. (1988). Construction Contract Durations.(Master’s thesis). University of Florida, Florida, USA.
- [33] Uher, T. E. (2003). Programming and scheduling technique. Sidney, Australia: University of New South Wales Press Ltd.
- [34] Wambugu, D. M. (2013). Determinant of successful completion of rural electrification projects in Kenya: A case study of Rural Electrification Authority. International Journal of Social Sciences and Entrepreneurship. Vol.1, Issue 2, 2013, 1 (2), pp.549-560