DETERMINANTS OF LEADERSHIP BEHAVIOUR IN UAE CONSTRUCTION SECTOR

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Abstract-Construction industry of UAE is huge and requires effective leadership strategies for its development and growth. For the success of the construction industry, transformational and transactional leaderships are to be followed so that the managers are able to meet the changing situations effectively.The findings obtained from this study consequently revealed that age, nationality, education, work experience, and organizational position of the leader plays a significant role in determining the leadership style he/she applies. However, gender of the leader has no correlation with the style of leadership.

Key words- Middle East, construction, leadership, transformational style, transactional style.

I. INTRODUCTION

Construction industry has suffered from leadership crisis in recent years, in spite of the growth of construction companies (Brouer&Scwedhelm, 2002). This has slowed down the development of the industry as the leaders lack the necessary style to lead and achieve the desired objectives. Effective leadership is vital in organizations in order to attain goals and promote professional achievements at individual level. The construction industry is closely related with several players. The process establishing requirements is complex and requires sound leadership style and management skills. The UAE is considered the second largest economy in the Arab and is among the high-income countries (Schiliro, 2013). From 2000 to 2012, the annual GDP growth rate of the UAE was averaged at 4.7 per cent, which was good considering the severe global economic crisis of 2009 (Schiliro, 2013). In 2012, the UAE economy grew 4 per cent despite the difficulties created through Euro zone and the negative global prospects (Schiliro, 2013). According to the Deloitte GCC Powers of Construction 2013 report by CPI Financial inn, the UAE had overtaken Saudi Arabia as the biggest construction market in the Middle East for the first time since the crash. The economic impact of this news in the construction industry of UAE is immense. The value of the UAE's construction industry for the year 2014 is $315 billion (Harris, 2014). The property and construction sector in Dubai contributes approximately 21 per cent of the Emirate's GDP, which amounts to nearly $38.38 billion in 2012. The construction industry contributed 10.6 per cent in 2008 and 10.3 per cent in 2011 to the GDP of the UAE (Dubai Chamber study, 2013). It is forecasted to grow from 11.1 per cent of the GDP in 2015 to 11.5 per cent by 2021. Moreover, after years of turmoil, the construction industry of the UAE plans to expand its business.According to the Harris (2014), investment in infrastructure development is expected to boost the UAE's construction sector. The UAE is projected to spend $329 billion on major construction projects in the next 15 years, up to 2030. Mega construction projects worth $40 billion are due for delivery in 2016 (Sophia, 2013). Dubai is set to receive 25 million visitors during the Expo, while Expo-related expansion plans alone are expected to create 300,000 jobs over the next few years. With the UAE hosting mega events such as Expo 2020, the construction industry is anticipated to grow (Sophia, 2013).

II. RESEARCH METHODOLOGY

Data collection for this study was undertaken with civil engineers working in UAE in the second quarter of 2014. Because the construction industry of the UAE has a uniquely diverse group of contractors, three internal contractors and three external contractors from different origins were selected for the study to cover such diversity. Three companies were UAE originated and one company was from the United Kingdom, one company was from South Africa and one company was from South Korea. This study covers only large size construction companies with yearly turnover ranging from USD 300 million to USD 500 million, and with a range of employees from 3,000 to 25,000. The multiple leadership questionnaire (MLQ) is used in an organization to

recognize the character of the leaders with transformational and transactional qualities. This form of questionnaire is used to identify the leadership behaviour that the organization should incorporate and most suited to identify the type f leadership style implemented within an organization (Bass, 2000). In total, 570 questionnaires were distributed and 393 were returned, representing a response rate of 69%. The questionnaire survey contained two distinct sections. The respondent's age breakdown was: 22% (n=87) aged between 18 to 29 years old, 53% (n=207) aged between 30 to 44 years old, 20% (n=77) aged between 45 to 55 years old and 5% (n=21) aged above 55 years. The respondents' gender breakdown was: 91.6% (n=358) male and 8.2% (n=32) female. The respondents' years of experience breakdown was:14% (n=56) had less than a year's work experience in the current organization, 26% (n=101) had work experience between 1 to 3 years in the current organization, 30% (n=119) had work experience between 3 to 7 years in the current organization and 30% (n=117) had more than 7 years of work experience in the current organization. Respondents' level of education breakdown was: 2% (n=9) were high school graduates, 11% (n=44) were diploma-in-engineering holders, 58% (n=227) were bachelor degree holders and 28.6% (n=112) had post-graduate qualification. Respondents' nationality breakdown was: 13% (n=50) were local emirate citizens and 87% (n=340) were non-locals.

III. FINDINGS

1. Age and leadership style (n=1)

As per the views of Politis (2006), age is an important aspect in determining the effectiveness of leadership. Observably, young leaders are more aggressive and take prompt decision, hence follow the transactional form of leadership. On the other hand, senior leaders, who act according to the situations, generally follow transformational leadership wherein age is an important element as young leaders of the UAE are concerned with gaining the maximum output from an individual project.The purpose of this experiment was to examine whether age of a leader have any significant influence on his leadership style in construction industry.

The dependent variable (leadership style) includes transformational leadership style and transactional leadership styles whereas an independent variable included in this experiment is age of a leader. An ANOVA test showed that age of a leader makes a significant overall difference between transformational leadership style ($M = 2.8607$, $SD = .46113$, $F = 8.930$, $p < .000$) and transactional leadership style ($M = 1.9664$, $SD = .45240$, $F = 11.116$, $p < .000$). Pearson's correlations were performed to test the relationship between the age of a leader, and the style of leadership. A significantly positive correlation has been found between age of a leader and the transformational style of leadership ($r = .161$; $p= .001$). That means a senior age leader is more likely to practice transformational leadership style. On the other hand, a significant negative correlation has been found between age of a leader and transactional style of leadership ($r = -.27$; $p= .001$). Therefore, it could be concluded that a young leader trends to use more transactional style of leadership compared with a senior age leaders.

	Hypothesis (Based on AGE) – Table 1	Supported
H_{1a}	Leadership style differs by age of the leader	Yes
H_{1b}	There is a significant correlation between age of a leader and Transformational leadership style	Yes
H_{1c}	There is a significant correlation between age of a leader and Transactional leadership style	Yes

2. Gender and Leadership Style (n=2)

Omair (2010) suggested that the female leaders are more transformational in nature than the male because the female leaders are more honest in their works.

This aspect is also observed in the construction segment of the UAE, wherein the female leaders are found to remain ethical and honest while making effective decisions.The purpose of this experiment was to examine whether gender of a leader have any significant influence on his leadership style in construction industry. The dependent variable (leadership style) includes transformational leadership style and transactional leadership styles whereas an independent variable included in this experiment is gender of a leader. Both an ANOVA and Pearson's correlations test failed to show any

significant the relationship between the gender of a leader, and the style of leadership. However, only 8.2% (n=32) respondents were female respondent and it could be reason for insignificant results.

	Hypothesis (Based on Gender) – Table 2	Supported
H_{2a}	Leadership style differs by gender of the leader	No
H_{2b}	There is a significant correlation between gender of the leader and Transformational leadership style	No
H_{2c}	There is a significant correlation between gender of the leader and Transactional leadership style	No

3. Nationality and Leadership Style (n=3)

The UAE national leaders are noticeably more aware of the local needs and demands with regard to the above stated segment (Bass &Avolio, 2000).Therefore, transformational leadership would be more effective with UAE national leaders or individuals (Bass &Avolio, 2000).The purpose of this experiment was to examine whether nationality of a leader have any significant influence on his leadership style in construction industry.

The dependent variable (leadership style) includes transformational leadership style and transactional leadership styles whereas an independent variable included in this experiment is nationality of a leader (two major groups were included namely local and expatriates). An ANOVA test showed that nationality of a leader makes a significant overall difference between transformational leadership style (M = 2.8603, SD = .46104, F = 7.505, p < .006) and transactional leadership style (M = 1.9647, SD = .45278, F = 33.979, p < .000). Pearson's correlations were performed to test the relationship between nationality of a leader, and the style of leadership. A significantly positive correlation has been found between nationality of a leader and the transformational style of leadership (r = .138; p= .001). A closer look shows that expatriates (M = 2.88) are practicing more transformational leadership style compared with local leaders (M= 2.69). On the other hand, a significant negative correlation has been found between nationality of a leader and transactional style of leadership (r = -.284; p= .001). Mean score demonstrated that local leader (M = 2.23) trends to use more transactional style of leadership compared with expatriate leaders (M= 1.91).

	Hypothesis (Based on Nationality) – Table 3	Supported
H_{3a}	Leadership style differs by nationality of a leader	Yes
H_{3b}	There is a significant correlation between nationality of a leader and Transformational leadership style	Yes
H_{3c}	There is a significant correlation between nationality of a leader and Transactional leadership style	Yes

4. Educational Level and Leadership Style (n=4)

According to Leithwood&Jantzi (2000), some evidence suggests that effective and transformational leaders possess high educational qualifications in their respective profiles. The purpose of this experiment was to examine whether education level of a leader have any significant influence on his leadership style in construction industry. The dependent variable (leadership style) includes transformational leadership style and transactional leadership styles and an independent variable included in this experiment is education level of a leader. An ANOVA test showed that education level of a leader makes a significant overall difference on transformational leadership style (M = 2.8607, SD = .46113, F = 12.866, p < .000) but no significant difference on transactional leadership style (M = 1.9684, SD = .45299, F = .367, p = .777). Pearson's correlations were performed to test the relationship between education level of a leader, and the style of leadership.

A significantly positive correlation has been found between education level of a leader and the transformational style of leadership (r = .267; p = .001). A closer look shows that post graduates (M = 3.0746) are practicing highest degree of transformational leadership style followed by bachelor degree holders (M = 2.7814). On the other hand, no significant correlation has been found between education level of a leader and transactional style of leadership. That implies, more education a leader will have, a better chances to adopt transactional leadership style but transactional style

of leadership is not being influenced with level of education of respective leaders

	Hypothesis (Based on Education Level) – Table 4	Supported
H_{4a}	Leadership style differs by education level of a leader	Yes
H_{4b}	There is a significant correlation between education level of a leader and Transformational leadership style	Yes
H_{4c}	There is a significant correlation between education level of a leader and Transactional leadership style	No

5. Work experience and Leadership style (n=5)

The more experience an individual has in performing a professional task, the more likely that the individual would act as an effective transformational leader and implementing such leadership style.The purpose of this experiment was to examine whether number of years of work experience a leader have makes any significant influence on his leadership style in construction industry. The dependent variable (leadership style) includes transformational leadership style and transactional leadership styles, and an independent variable included is years of work experience of a leader. An ANOVA test showed that years of work experience of a leader makes a significant overall difference on transformational leadership style (M = 2.8607, SD = .46055, F = 7.338, p < .000) and moderately significant difference on transactional leadership style (M = 1.9678, SD = .45259, F = 2.681, p = .047). Pearson's correlations were performed to test the relationship between years of work experience of a leader, and the style of leadership. A significantly positive correlation has been found between years of work experience of a leader and the transformational style of leadership (r = .199; p= .001).

A closer look shows that leaders with above seven years of work experience in the current organization (M = 2.9825) are practicing highest degree of transformational leadership style followed by leaders with above three years of work experience in the current organization (M= 2.9003). On the other hand, no significant correlation has been found between number of year work experience of a leader and transactional style of leadership. That implies, more longer time a leader will work in an organization, a better chances to adopt transactional leadership style but transactional style of leadership is not being influenced with years of work experience of respective leaders.

	Hypothesis (Based on years of work experience) – Table 5	Supported
H_{5a}	Leadership style differs by years of work experience of a leader	Yes
H_{5b}	There is a significant correlation between years of work experience of a leader and Transformational leadership style	Yes
H_{5c}	There is a significant correlation between years of work experience of a leader and Transactional leadership style	No

6. Organizational Position and Leadership Style (n=6)

High-level leaders are more likely to follow and apply an effectual transformative leadership approach. This is mainly because high-level leaders are more likely to undertake reliable and effective decisions (Fatwoe&McCaffer, 2000).The purpose of this experiment was to examine whether organizational position a leader hold have any significant influence on his leadership style in construction industry.

The dependent variable (leadership style) includes transformational leadership style and transactional leadership styles, and an independent variable included is organizational position of a leader. An ANOVA test showed that years of organizational position of a leader makes a significant overall difference on transformational leadership style (M = 2.8601, SD = .46245, F = 9.340, p < .000) and significant difference on transactional leadership style (M = 1.9651, SD = .45260, F = 5.979, p = .000). Pearson's correlations were performed to test the relationship between organizational position of a leader, and the style of leadership.

A significantly positive correlation has been found between organizational position of a leader and the transformational style of leadership (r = .172; p= .001). A closer look shows that first line managers (M

= 3.0235) are practicing highest degree of transformational leadership style followed by middle managers (M= 2.9451). On the other hand, significant negative correlation has been found between organizational position of a leader and transactional style of leadership.

	Hypothesis (Based on organizational position) – Table 6	Supported
H_{6a}	Leadership style differs by organizational position of a leader	Yes
H_{6b}	There is a significant correlation between organizational position of a leader and Transformational leadership style	Yes
H_{6c}	There is a significant correlation between organizational position of a leader and Transactional leadership style	Yes

DISCUSSION AND CONCLUSION

The findings of the study revealed various important facts regarding the dependency of leadership approaches and the corresponding choices made by the leaders in the contemporary era, within the construction industry. As compared to the many factors assumed to be responsible for influencing choices of leaders in adopting the most suitable leadership styles, age, gender, organisational positioning, work experience, nationality and educational levels was perceived as more important in this study. Based on quantitative research approach, the study identified varying results with consideration to the correlation between the stated variables and the leaders' choices of leadership styles in the construction industry. For instance, depicting a strong correlation between the age of leaders and their adapted style of leadership, the results obtained from the study revealed that aged leaders usually make choices within transformational and transactional styles of leadership. This in turn proved the fact that age has a strong effect on leadership styles adopted by the leaders. However, when searching for similar facts in the secondary sources available online and those considered for this study, limited availability of data obstructed the clarity and refinement of the quantitative results detailed. On the one hand, it shows a gap in the literature, but on the other hand, it also demands further research that would help prove the fact with greater transparency and reliability. In both terms, the gap shows the scope of this research to further test the result obtained from hypothesis testing. Correspondingly, when considered their gender variances, leaders depicted limited or no differences in their choice of leadership styles. In precise, no correlation was found between the gender of the leaders and their leadership approaches. his in turn shapes their leadership styles as different from that adopted by male leaders. Nevertheless, it is worth mentioning in this context that such interrelation was witnessed in the context of the UK, rather than in UAE. Therefore, it is necessary to conduct further researches in the domain, especially considering the UAE construction industry in order to obtain more reliable understanding of the correlation. The study also focused on testing the correlation between nationality of the leaders in the UAE construction industry and their adopted leadership approaches. It was in this context that the study revealed a positive correlation between nationality and the choice of leadership styles among leaders of the construction industry. The study findings thus revealed that national leaders depicted a different selection while international leaders reflected their preferences for a different leadership pattern, which was again supported by researchessuch as Toor and Ogunlana (2008) and Bass and Avolio (2000). Further findings obtained revealed positive correlation between organizational positioning, work experience and educational levels, as the leaders begin developing their judgmental abilities, evolving to be leaders gradually overcoming their limitations of followership tendencies.

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