

Impact of Transformational leadership on Project Success: Mediating role of Team-Building and Moderating Role of Human Resource Management Practices

Khurram Yazdani¹, Fuad Bashir²

Article History:**ABSTRACT****Received:**

13 Jun, 2018

Revised:

24 Sep, 2018

Accepted:

30 Sep, 2018

Purpose: This study was conducted to empirically examine the relationship between the transformational leadership and project success with mediating role of team building and moderating effect of HRM Practices.

Methodology/Design: 184 responses from top and middle management employees of project based public and private organizations available in Rawalpindi/Islamabad were collected and analysis was performed. Structure Equation Modelling was used to test the relationship between the variables.

Findings: On the basis of facts and figures derived from the received responses, it was evident that a significant model was developed. The results were generally supportive to the developed hypotheses.

Implication: Another prime objective of this research was to test the concept in Pakistani context with a perspective that may be this research work contributes for the performance improvement of project-based departments/organizations.

Keywords: Transformational Leadership (TL), Project Success (PS), Team Building (TB), HRM Practices (HRMP).

1. Introduction

Project based government departments/organizations and project based private sector organizations play a backbone role in the progress and growth of any state. In the case of Pakistan, government/ project based private sector organizations are investing a large volume of finances in terms of salaries and perks of employees working in these organizations. In return, performance of these departments/organizations is declining day by day. These offices are not delivering the desired results to government and as well as general public. As an initial finding, the lack was observed in applying management practices and tactics in these departments.

A very low level of motivation was observed among the government employees due to the factors of job security and their salaries and perks. This research is planned to consider transformational leadership and its effect on project success with mediation of team building and moderation of human resource management practices. The overall research was focused on project success of the project based government departments/organizations and project based private

¹MS Scholar, Faculty of Management Sciences, SZABIST Islamabad: kurramyazdani5@gmail.com

²Assistant Professor, Faculty of Management Sciences, SZABIST, Islamabad.

organizations. This research has also observed the factors which are playing a declining role in the performance of these organizations. Even though the impact of transformational leadership on project success is supported empirically, less is known regarding the mechanism that explains this result. To state this area of interest, we suggest the mediating role of team-building as a probable enlightenment of the connection between transformational style of leadership (TL) and project success (PS). The research suggests that team-building partly mediates the association between transformational leadership and project success (Aga et al., 2016).

Literature review also enhanced the concept that team-building mediates the relationship between transformational leadership and project success. Same is the case with the literature available on the moderating role of human resource management practices between the association of team-building and project success. The research work will be a value addition to the most recent research work (Aga et al., 2016). The literature review also depicts the positive effect of human resource management practices on team Building to gain project success.

As identified and explored by Ika et al. (2012) and Nauman et al. (2010) that critical success factors (CSFs) are a noteworthy aspect of research while examining the available project management literature. Area of interest regarding understudy variables, the literature has enhanced our knowledge on factors crucially prompting success of projects. Whereas, the most significant CSFs recognized is the leadership style of the leader or manager such as the transformational leadership (Anantatmula, 2010; Lindgren & Packendorff, 2009; Riaz et al., 2013; Yang et al., 2010).

As explained by Aga, Noorderhaven, and Vallejo (2016), while the impact of transformational leadership on project success is pragmatically maintained in different researches, yet less is known about the mechanisms that explains the resulted effect. In order to report this issue, a mediating role of team-building (TB) as a possible clarification of the association between transformational leadership (TL) and project success (PS) can be proposed. Grounded on a field survey of 200 development project managers in the Ethiopian Non-Governmental Organization (NGO) sector, the outcomes of their study specify that team-building partially mediates the effect of transformational leadership on project success. As described by Popaitoon and Siengthai (2014), though the effect of transformational leadership (TL) on project success (PS) is practically reinforced in different studies yet less is known about the mechanisms that explain the caused affect. In order to report this issue, a mediating role of team-building (TB) as a possible enlightenment of the association between transformational leadership (TL) and project success (PS) can be projected. Founded on a survey of 200 project manager of development sector in the Ethiopian Non-Governmental Organization (NGO) sector, the findings of their learning show that team-building (TB) moderately mediates the impact of transformational leadership (TL) on project success (PS).

Failure or non-compliance of minimum desired outcomes from the projects administered by the government departments/organizations and project based private sector organizations is increasing day by day and this decline in the performance of these departments/organizations is affecting performance of the government offices and as well as damaging for the economy of the country. Government departments/project based private organizations are spending a lot in terms of salaries and perks but these offices are not delivering the desired outcomes. Public sector departments/organizations dealing with projects are of major concern for Government of Pakistan.

Decline in the success ratio of these projects is alarming for the government. Initial observation states that project success is gradually declining due to lack of applying human resource management practices and tactics in these departments. Whereas, on the other end increase in project success of project based private sector organizations can also contribute a lot in the economic growth of any country. Failures of these projects are also damaging the economy of the country and interest of foreign investors/donors.

Success is very important to be achieved in every field of life the same is the case with government/private project based organizations where success is measured in terms of their every project. This research is aimed to explore the factors which can improve the success ratio of the project based government departments/organizations and project based private organizations. Overall objective of this study is to explore the way outs/practices/measures to improve Project Success. This research has the below mentioned key research Questions: (1). Does transformational leadership have significant positive association with project success? (2). Does transformational leadership positively influence project team building? (3). Do team building practices positively influence project success? (4). Does team building mediate the relationship between transformational leadership and project success? (5). Does HRM practices have moderation impact on the affiliation between team building and project success or not?

2. Literature Review

2.1 Transformational Leadership and Project Success:

There are four opinions that explaining the highlighted character of the project manager' style of management that incurred on team-building practices as mentioned under by transformational leadership and team-building as per McDonough (2000):

1. It is in notice that effective project leaders to define and manage task for their team by allowing team to perform under the definition.
2. Project leaders exposed the transformational style of the leadership in which team members are empowered to take decisions, have liberty to discuss and explore new problem solving criteria to perform tasks.
3. Making the realistic judgements, effective leadership style is to make your team empowered to share facts and awareness within team or added associated group intact with the project. Devising communication architecture through which information regarding the project can be share among the members involved in the project.
4. Project leadership expands the team vision by improving the positive attitude which ultimately accomplish project success.

Sohmen (2013) classified that leader may provide the favourable working environment which enables the team fellows to flourish their efforts toward the ultimate goal and achieved project target. In order to persuade team-building, effective leadership is clearly authoritative that effective leadership is essential part of high-performing with the right competences (Burke et al., 2006). A project team can be enthused by the project manager's transformational leadership conduct. By such inspirations a project team accomplishes beyond their anticipations (Klein et al., 2009). The net motivation to accomplish the project needs persistency by empowering team members beyond individual contribution. (Burke et al., 2006; Sohmen, 2013).

The performance of leadership is a basic for the people working in teams; and is stated to be the most investigated aspect of human behaviour (Dulewicz & Higgs, 2005). While leadership has also been the topic of much study in project management writings, its role in playing a part to project achievement or failure lasts to incite discussion. Many other scholars have also been exploring the effect of the manager's leadership on the performance of organizations. Previous studies suggest an association between the manager's leadership style and effective performance in business. Though the relationships between leadership behaviour and performance in business have received more consideration, still the studies conducted on the leadership style of project managers and its input to project success are inadequate. Morris (1988) stated that poor leadership is a reason of failure during creation, build-up, and close-out phases. Kendra and Taplin (2004) mentioned that the leadership and individual features of the project managers are allied with project success factors. Based on previous studies many project managers do not identify themselves or their leadership style as a contributor to project success (Turner & Muller, 2005). In short, a large content of literature has endeavoured to identify project success factors. However, prior studies have overlooked the project managers or their leadership styles as project success factors.

Chen, Kirkman, Kanfer, Allen, and Rosen (2007) has explored managers are expected to perform a leading role and inspire employees as a group instead of specific key persons, especially in the team-based hierarchical systems. Zaccaro, Rittman, and Marks (2001) has stated that teams that perform well are faced with various challenges, including streamlining each task into a joint effort, organizing resources, supporting and trusting each other, and synchronizing transmission of data and achieving goals. However, according to the scholars, even then leadership research has seen unwanted academic and observed differences that occur between the stages of investigation (Bliese, Halverson, & Schriesheim, 2002). Highlighted by Casimir, Waldman, Bartran, and Yang (2006) in their research, one concept that is strictly linked to anticipation of individuals and is vastly debated is the concept of transformational leadership which remains highly studied to this age.

However, little effect of research analysing has been seen at both personal and group levels other than some exclusion (e.g., Wang & Howell, 2010). Transformational leadership also has an effect at the team level of study in contribution to the effects at a personal level. An agreement at a lower level unit to make sure there is another form of agreement at a higher level forms the based on the direct consensus model. This assumes that that transformational leadership (a) included personal focus along with group base and (b) as a participative style of leadership, it pays to mental model union in team members (Dionne, Sayama, Hao, & Bush, 2010).

2.2. Project Success

According to Cannon et al. (2010) the buyer's long-term relationship depends upon the buyer's trust of a supplier and the supplier's performance. It was identified that the relative effects of trust and performance on long-term orientation are balanced by culture – particularly the individualism/collectivism dimension. Speculations were tested on data from two individualist and two collectivist cultures. Pullman et al. (2001), explains, dealing with multicultural customer segments, unique performance challenges are experienced in developing the appropriate service strategy. They propose a way for modelling the priority of different cultural segments, evaluating

the differences between the segments and determining the appropriate service strategy for service providers who carry out multi-national projects. The success of the project and the output of the project manager is frequently discussed, and is rarely agreed upon (Pinto & Slevin, 1988). The success factors which are critical help in assessing the project success.

During the decade of 1980 in the field of research focus of attention diverted towards 'project success factors'. Different theorists / scholars / authors identified features like, "functionality (performance), project management (schedule, on budget), commercial success, termination efficiency, and clients' satisfaction" as factors that affect success of given projects. Though researchers like Baker, Murphy, Fisher, Cleland, and King (1988); Morris, (1988); Pinto and Slevin (1988) have pointed out many factors contributing success yet, no one has clearly referred to one of the basic important factor i.e. the leadership characteristics of project managers and their influence on success.

Andersen et al. (1987) examined the hazards that may prevent project success and increase the chances of failure. To him the main focus should be laid on the way a project is planned, organized, and controlled. Whereas to Baker et al. (1988) the 'perceived' success in any of the project can be attained by achieving factors like attaining the project's technical specification and getting a high level of satisfaction from the client, the users, and the project team. Both these writers have emphasized planning but have ignored an important factor, leadership which as a key factor in 'maximizing potential project successes.

Pinto and Slevin (1988) conducted a study of project success and identified ten factors for success. They laid emphases on the need for communication channels which to them is an extremely important factor. Along with this an adequate problem-solving ability is also required. The researchers still not considered project manager leadership or even management skills as success factors in this study. However, they have indirectly touched upon the fact by mentioning the absence of project management characteristics such as inadequate project manager's administration, human skills, and influencing skills as factors strongly contributing to the failure of projects.

Later Turner (1999) devised a strategy for the successful implementation of projects. After taking inspiration from Morris (1988) and Morris and Hough (1987) he presented 'seven forces model'. Its main components include 'public' force; representing people on the project and their management, leadership, teamwork, and industrial relations. He is the one who has initially recognized the role of leadership as an important contributor in the success of any project. In his view it is an important part of project strategy (approach) which in turn leads to successful project implementation. In contrast, in 2001 Cooke-Davies stated that despite well-known research results and decades of individual and collective experiences of project management, projects' results continue to disappoint stakeholders. In order to improve the situation to him more attention should be laid on cost, time, and quality while studying project success and identified related success factors. While defining the success factors he did not mention the people / clients' side of project management and mainly concentrated on factors like the project manager's competence and leadership ability.

In a similar manner Lee-Kelley and Loong (2003) laid focus on management side only and suggested that there is a substantial relationship between the project manager's awareness of project success and his / her own behavior. To them inner-confidence and self-belief are the

character qualities which chiefly play a significant part in the project manager's aptitude to deliver a project successfully.

Jugdev and Müller in 2005 after reviewing the given literature on project success which discussed pitfalls and suggested remedies concluded that four conditions are necessary for a project's success: (1). Criteria should be agreed with shareholders to measure the success before and during the project. (2). A collaborative working relationship should be maintained between project owner/sponsor and manager. (3). Project manager should be authorized to deal flexibly with unanticipated situations. (4). Stakeholder/sponsor/shareholder should concentrate in the performance of the project. Out of these works Turner and Müller (2005) has successfully and aptly reviewed the contribution of the project manager's competence and leadership style to project success.

2.3. Team Building

Cohen and Bailey (1997) explained that project teams of individuals from different areas in any organization are combined to perform complicated and focused tasks and activities of diverse nature. Team is an impermanent set of people which is formed to perform specific and time bound activity. As the activity is completed, the team is scattered. The team of a project has a limited time span. Bryman et al. (1987) have pointed out that short term nature of a team and time bound activities of team members are the main difference that differentiate their work from other groups.

Thomas et al., (2008) had done a wide range of research in project management. They explained (a) the worth of a dedicated and effectual project team, (b) suggested processes for making committed and successful teams and (3) the requirement for ongoing vigorous and dynamic team building in life cycle of project as people go often. Team in a project shows the recent and future requirement of a team. It can also be acknowledged that a common recognition of procedures involved in constructing an effectual team in literature of project management. To build a team is a time taking process. It is necessary to build team as soon as possible in early stages of a project. Whetten and Cameron (2005) explained the famous process of team building consists of a) forming ,b) norming, c) storming and d) performing.

Some features in various organizations included work teams, management teams, and cross-functional teams (Katzenbach & Smith, 1992). Discussions have been done on the benefits and flaws of using consultation teams over the recent years (Lampman & Dimeo, 1989; Todryk, 1990), and their use are becoming popular now a day. Inter organizational projects team remains less popular even to this date. This consists of representatives from the owner, designer, and/or constructor organizations that have a major role in giving outcome of the projects. Greater focus has been implemented on discussing the intra organizational project team - Consisting of members from one organization, either the owner, designer, or constructor organization. This team has a direct effect on the improving the organization's efficiency to perform and in return also effects the projects efficiency.

2.4 Relationship between Team Building and Project Success

Previous studies on team building overlooked the performance and preference to outcome measures, despite it may be essential part of team-building (Salas et al., 1999). The term team-building remains undefined as according to requirement of the project (LePine et al., 2008).

Problem lies in vague where the effect of team building on performance is not properly defined (Salas et al., 1999). For example, recent studies (Scott-Young & Samson, 2008; Zwikael & Unger-Aviram, 2010) have started to observe the effects of team-building, but they use broad scopes of HRM functions like training, pay and rewards, coordination, and empowerment, without focusing on the four well-established components of team-building (Salas et al., 1999).

2.5. Mediating Role of Team Building

Transformational leadership helps create formal continuing mechanisms that stimulate two-way communication and the exchange of information within the project team (Piccolo & Colquitt, 2006). This could clearly affect project success. Additionally, Yang et al. (2011) underscore that transformational leadership can achieve project success by supplementing the benefits of team-building practices. Components of team-building such as goal setting, role interpretation, interpersonal associations, and problem solving practices are applied to improve project team performance and have a positive influence on project success (Klein et al., 2009). As specified by Eisenbeiss, van Knippenberg, and Boerner (2008), success of a project comes when team members come to an agreement on project goals and approaches to goal attainment.

2.6. Human Resource Management Practices

Research on SHRM suggests that HR applications can increase firm productivity when they are in line with one another to supervise employees in a way that leads to their comparison (Delery & Doty, 1996). Further, the relevance of a set of HR practices may depend on the skills that a firm is trying to develop. HR application can make value for a firm when the individual practices are for the advance development of resources and skills (Wright et al., 2001). It is significant that the employee skills developed through HR practices will not be easy to supersede because these practices and policies are firm-specific, socially complex, and target oriented (Lado & Wilson, 1994). These practices even if tried to be re-engineered it would not only take more time but shall also would not get same results (Wright et al., 2001). Thus, we can claim that a system of HR practices strengthens more durability of the competitive created through TMT networks. Thus, it is significant to demonstrate a set of HR practices that firms can use to systematically develop and manage TMT networks. The outcome of a required behaviour (that is, the development of strategic networks) is a function of ability, motivation, and opportunity (Locke & Latham, 1990). To extract required behaviours from employees, including top managers, firms must provide feedback and incentives that reinforce the required behaviours (Locke & Latham, 1990). Performance appraisals and compensation are the primary HR practices firms use to extract and augment required behaviours (Latham, 1981). Thus, it is important to pick a set of HR practices that firms can use in a systematic manner to deliver and control TMT networks. The performance of a required behaviour (that is, the development of strategic networks) is a function of capacity, motivation, and plausibility (Locke & Latham, 1990). To extract required behaviours from employees, including top managers, firms must provide feedback and incentives that reinforce the required behaviours (Locke & Latham, 1990). Performance appraisals and compensation are the primary HR practices firms use to extract and reinforce required behaviours (Latham, 1981).

2.6.1. HRM Practices and Project Success

Generally, projects are about different individuals, funding and equipment. There are so many descriptions involved however researchers have a point of view that projects are generally comprised of matrix based structure based upon the limitation of being economical, on time, quality of service, composite and connected processes. In terms of project accomplishment and trend, projects are dealt being technically rather than behaviourally. There is behaviour of managing the project because of mechanical approached which is based on getting the desired results (timelines, within budget and quality of product). There are various lists and designs are presented in terms of project critical achievement factors, as an example one of the model says that a project success is based on four-dimensional pillars which are efficiency, impact, success and efficiency. The insight of different groups such as stakeholders, management, customers and employees should be considered as vital components as everyone will look at the project from its own prospective. Morley observed that managing a project is based on a triangle comprised of schedule, cost and performance is convenient to analyse the accomplishment and flop of a project. In addition to this rule of thumb it is an idea that the risk involved and conflict resolving in a project by the project stake holders can also be evaluated for measuring a project analysis, however risk is directly proportional to technical performance, which is directly linked to budget and calendar. As of now, the vital most conclusion on critical evaluation of a project achievement is carried out by Pinto and Slevin (1988). They presented an infrastructure and pointed out 10 key components and their research said ‘‘are project application critical success factors of importance over project. Recession research unfolded that different components were part of the success in four steps. Further elaborating, during the conceptual stage agenda and input (from client) are the variable which are likely to be success factors, however during finish stage, practical targets, project agenda and customer briefings are given 60% weightage to success of project. The staff’s factor is the only factor which is unusually predictive in measuring a project success as a life cycle stage.

Companies’ situation is severe as they must ensure energetic environment at the workplaces to retain the staff, accomplishments graph is measured in terms of infrastructure and environment, however the governing bodies cannot overlook the facts that effects their performance. Researchers are agreed to this fact that hiring skilled and energetic people is one of the most critical factors of organization accomplishments. Human Resource Management (HRM) is updating frequently and playing its part dynamically. Every project needs attention of all the peoples involved in it, with in the cost and strong technicalities, however there are so many scale to quantify it but according to almost all the researchers a project faces the steps of budget limitation, calendar, quality and structure. Many professionals and analyst count performance, efficiency and success has one same meaning. Organizational theory reports this miss conception being noticed several times.

H1: Transformational Leadership positively influences Project Success.

H2: Transformational Leadership positively influences Project Team Building.

H3: Team Building practices positively influences Project Success.

H4: Team Building mediates the relationship between Transformational Leadership and project success.

H5: HRM practices moderates the association between team building and project success.

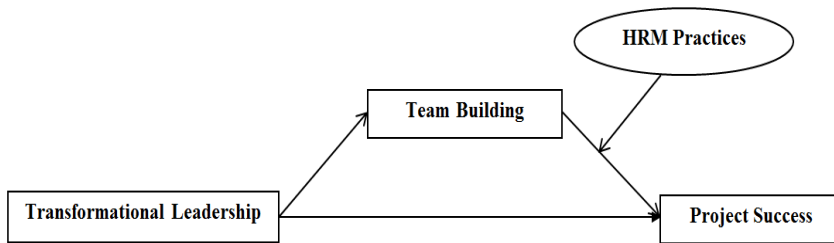


Figure 1: Research Framework

3. Methodology

This study is explanatory in nature as the purposes of the research were to examine the causal relationship among study variables. Cross sectional data was collected by using self-administered questionnaire adopted from existing literature. Convenience sampling technique was used. The sample size of our study was 184 employees which involves top and middle management of private companies (dealing with projects) and top and middle management government officers working in different government departments/organizations (which are dealing with projects) located in Rawalpindi/Islamabad. The analysis on data has been conducted by using structural equation modelling through Smart PLS 3.

3.1. Instruments

The instrument used for the data collection is a structured instrument that includes structured and close-ended questions. The instrument has two different sections. First section is encompassing of the demographics such as organization, gender, age and education and second portion is included of the questions. Each question was an item to measure responses of the respondents regarding different variables. The five likert scale is used. Measurement scales for measuring transformational leadership, team building and project success were adopted from Aga, Noorderhaven, and Vallejo (2016) measurement scales for measuring HRM practices was adopted from Popaitoon and Siengthai (2014).

4. Results

4.1. Descriptive Statistics

In this section demographic analysis was done by using SPSS. First demographic analysis was made regarding gender of the respondents. Results depict that out of 184 respondents, 97 were male and 87 were female. This also illustrate that 52.7% were male and 47.3% were female. This analysis also shows that most respondents were male.

Table 1: Demographic Profile

Demographic Variables	Codes	Frequency	% of Total Sample
Gender	Male	97	52.7
	Female	87	47.3
Age	21-30	56	30.4
	31-40	92	50.0
	Above 40	36	19.6
Education	Bachelor	32	17.4
	Masters	90	48.9
	MPhil/PhD	62	33.7
Organization Type	Public	109	59.2
	Private	75	40.8

Second demographic analysis was made regarding age of the respondents. Results show that 92 of the respondents were lying in the age bracket of 31-40 years and percentage of this age bracket is 50% in the respondents. On the other hand, 56 respondents belong from the age bracket of 20-30 years having a percentage of 30.4 %. Whereas, only 36 respondents belong from the age bracket of above 40 years having a percentage of 19.6%. Further result depicts that 90 of the respondents were having Master's degree and their percentage was 48.9% among the respondents. 62 respondents were possessing M.Phil./PhD degree. Only 32 respondents were possessing Bachelor's degree holding a percentage of 17.4 %. A very important demographic analysis was made which also relates with the main theme of this research regarding professional association of the respondents (Public Sector/Private Sector) so that both sectors could be analyzed properly. This table illustrates that 109 of the respondents were from private sector which holds 59.2 % of the total respondents and 75 of the respondents were from public sector which holds 40.8% of the entire respondents. Results were presented in Table 1.

4.2. Partial Least Squares Structural Equation Modeling (PLS-SEM)

The proposed rotational paths and measures were examined through Partial Least Squares Structural Equation Modelling (PLS-SEM). PLS-SEM is comprised of two basic steps measurement model and structural model as suggested by Hair et al. (2012). The PLS-SEM algorithm provides the maximized percentage of explained variance, proportion of explained variance and path coefficients.

4.2.1. Measurement Model

In this study internal consistency reliability, convergent validity, and discriminant validity were examined to evaluate the measurement model (Figure 2). Table 2 depicts the Cronbach's Alpha, Average Variance Extracted and Composite Reliability of the variables under study. Cronbach's Alpha values of all the variables are above 0.6 which are acceptable and it means that the instruments which are used are consistent and reliable.

Table 2: Construct Reliability and Validity before Moderation

	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)
HRM Practices	0.684	0.863	0.759
Project Success	0.696	0.814	0.523
Team Building	0.657	0.814	0.594
Transformational Leadership	0.757	0.859	0.671

Composite Reliability of all the instruments is above 0.7 which is acceptable. Average Variance Extracted is also greater than the minimum defined limit of 0.5 which tells us that our measurement model is valid and reliable. In the view of above mentioned values, reliability and validity is confirmed.

Table 3: Discriminant Validity before Moderation

	Average Variance Extracted (AVE)	HRM Practices	Project Success	Team Building	Transformational Leadership
HRM Practices	0.759	0.871			
Project Success	0.523	0.472	0.723		
Team Building	0.594	0.534	0.574	0.771	
Transformational Leadership	0.671	0.407	0.422	0.505	0.819

The discriminant validity was examined by using Fornell–Larcker criteria. The Fornell–Larcker (1981) establishes discriminant validity by comparing square root of AVE for each latent variable and correlation among latent variables. The results depicted in Table 3 are in support of discriminant validity of study variables.

4.2.2 Structural model

The satisfactory valuation of measurement model is an indication to proceed towards the evaluation of structural model. Results regarding structural model are depicted in Table 9. From the results it can be observed that transformational leadership has a significant and positive impact on project success ($\beta = .115, p < .01$), supporting hypothesis 1. Results depicted a significant and positive impact of transformational leadership on team building ($\beta = .505, p < .01$), supporting hypothesis 2. Furthermore, results showed a significant and positive impact of team building on project success ($\beta = .353, p < .01$). To test the moderating effect of HRM practices, first principal component analysis was employed to form the possible factors of HRM practices. From the results

principal component analysis all the 14 items of HRM practices were loaded on two factors. Two computed factors by transforming the concerned items were used to test the moderation of HRM practices. The results in Table 4 were in support of moderating effect of HRM practices between team Building and project Success.

4.2.2.1 Mediation Analysis

To test the mediating effect direct and indirect effects were calculated after bootstrapping and mediation. With the help of the calculated values of direct and indirect effects VAF was calculated which implies that 57.89%. This value is greater than 20% and less than 80% which means that partial mediation exists on the combined data collected from public and private organizations.

Table 4: Structural model

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Status
Transformational Leadership → Project Success	0.293	0.295	0.074	3.943	0.000	Supported
Transformational Leadership → Team Building	0.505	0.509	0.069	7.292	0.000	Supported
Team Building → Project Success	0.352	0.352	0.074	4.770	0.000	Supported
HRM Practices → Project Success	0.147	0.154	0.067	2.195	0.029	Supported
HRMP Moderation → Project Success	-0.188	-0.180	0.050	3.730	0.000	Supported

Table 5: Mediation Analysis

Path Coefficients	Value of Path Coefficients	VAF	Status
Direct	.144	.198/.342=.5789	Supported
Indirect	.198	57.89%, Which is < 80%	
Total Effect	.342	Means Partial Mediation	

5. Discussion

In the current study the relationship between transformational, project success, with the mediating effect of team building, and moderating effect of HRM practices was tested. The results are consistent with the literature like Aga et al. (2016) and Popaitoon and Siengthai (2014). In this regard the study proved that the transformational leadership has a significantly positive impact on project success along with the noteworthy mediating role of team building, and significant moderating effect of HRM practices while analysing the combined data. The results regarding the positive impact of transformational leadership and project success elaborated the importance of leadership style in project success. Specifically, a project manager with transformational leadership style inspires and stimulates his team members towards a comprehensive conceptualization of project success characterized by stakeholder satisfaction, effectiveness and efficiency. The findings of the study provide empirical support for the call by Turner and Müller (2005), who highlighted the necessity to examine the role of project managers' leadership styles.

The results of the study are also in support of a positive impact of team building on project success. These findings are consistent with previous literature like Klein et al. (2009). From the results it can be comprehend that combined set of team-building interventions for instance problem-solving, interpersonal relations, role-clarification, and project goal-setting are resulted in highly committed and empowered project teams. The leadership style of managers and classic team-building practices are more likely to improve problem-solving skills, interpersonal communication, roles and responsibilities and defining project goals that in turn influence project success. The results of this study are also in support of partial mediation of team-building between transformational leadership style and project success. These results are consistent with the findings of Aga et al. (2016). Furthermore the results are also in support of significant moderation of HRM practices between the relationship of team building and project performance.

The present study provides a significant contribution in project management literature by integrating team-building model with leadership theory. The empirical results are in support of partial intervention between the association of project success and transformational leadership. This study also contributes in project team development theory by validating the team-building as an independent construct that leads towards the team performance. Some of the researchers like Wang and Howell (2010) operationalize team building as dimension of transformational leadership. Getting reflections from the previous studies like Klein et al. (2009) and Aga et al. (2016) this study establish the validity of team-building as an independent construct.

There are some limitations that should be considered before generalizing the results of the study. First the results of the study are based on subjective ratings. However, the adopted measures are well established and used by a number of studies like Pinto, Slevin, and English (2009) and Suprpto, Bakker, and Mooi (2015) to measure the construct of project success.

Future studies should consider some objective measures to have more comprehensive results. Furthermore, the findings are based on cross-sectional data which make the causal interference arguable. Longitudinal studies may provide better results regarding the relationship between transformational leadership and project success over the period of time. Third, the data is collected by using single method of data collection which may cause the concern for common method bias. Future research studies may use multiple data collection methods from different concerned data sources to minimize the concerns for common method bias. Furthermore, future

studies should consider on diverse nature of projects along with the heterogeneous nature (i.e., project team members, project duration, and project type) for better insight.

References

- Aga, D. A., Noorderhaven, N., & Vallejo, B. (2016). Transformational leadership and project success: The mediating role of team-building. *International Journal of Project Management*, 34(5), 806-818.
- Anantamula, V. S. (2010). Project manager leadership role in improving project performance. *Engineering Management Journal*, 22(1), 13-22.
- Andersen, E. S., Grude, K. V., & Haug, T. (1987). Goal directed project management. Kogan Page Publishers.
- Baker, B. N., Murphy, D. C., Fisher, D., Cleland, D. I., & King, W. R. (1988). *Project management handbook*. New York: Van Nostrand Reinhold.
- Bliese, P. D., Halverson, R. R., & Schriesheim, C. A. (2002). Benchmarking multilevel methods in leadership: The articles, the model, and the data set. *The Leadership Quarterly*, 13(1), 3-14.
- Bryman, A., Bresnen, M., Beardsworth, A. D., Ford, J., & Keil, E. T. (1987). The concept of the temporary system: the case of the construction project. *Research in the Sociology of Organizations*, 5, 253-283.
- Burke, C. S., Stagl, K. C., Klein, C., Goodwin, G. F., Salas, E., & Halpin, S. M. (2006). What type of leadership behaviors are functional in teams? A meta-analysis. *The Leadership Quarterly*, 17(3), 288-307.
- Cannon, J. P., Doney, P. M., Mullen, M. R., & Petersen, K. J. (2010). Building long-term orientation in buyer-supplier relationships: The moderating role of culture. *Journal of Operations Management*, 28(6), 506-521.
- Casimir, G., Waldman, D. A., Bartram, T., & Yang, S. (2006). Trust and the relationship between leadership and follower performance: Opening the black box in Australia and China. *Journal of Leadership & Organizational Studies*, 12(3), 68-84.
- Chen, G., Kirkman, B. L., Kanfer, R., Allen, D., & Rosen, B. (2007). A multilevel study of leadership, empowerment, and performance in teams. *Journal of Applied Psychology*, 92(2), 331-346.
- Cohen, S. G., & Bailey, D. E. (1997). What makes teams work: Group effectiveness research from the shop floor to the executive suite. *Journal of Management*, 23(3), 239-290.
- Delery, J. E., & Doty, D. H. (1996). Modes of theorizing in strategic human resource management: Tests of universalistic, contingency, and configurational performance predictions. *Academy of Management Journal*, 39(4), 802-835.
- Dionne, S. D., Sayama, H., Hao, C., & Bush, B. J. (2010). The role of leadership in shared mental model convergence and team performance improvement: An agent-based computational model. *The Leadership Quarterly*, 21(6), 1035-1049.
- Dulewicz, V., & Higgs, M. (2005). Assessing leadership styles and organisational context. *Journal of Managerial Psychology*, 20(2), 105-123.

- Eisenbeiss, S. A., van Knippenberg, D., & Boerner, S. (2008). Transformational leadership and team innovation: Integrating team climate principles. *Journal of Applied Psychology*, 93(6), 1438--1488.
- Fornell, C., & Larcker, D. F. (1981). Structural equation models with unobservable variables and measurement error: Algebra and statistics. *Journal of Marketing Research*, 18(3) 382-388.
- Hair, J. F., Sarstedt, M., Ringle, C. M., & Mena, J. A. (2012). An assessment of the use of partial least squares structural equation modeling in marketing research. *Journal of the Academy of Marketing Science*, 40(3), 414-433.
- Ika, L. A., Diallo, A., & Thuillier, D. (2012). Critical success factors for World Bank projects: An empirical investigation. *International Journal of Project Management*, 30(1), 105-116.
- Jugdev, K., & Müller, R. (2005). A retrospective look at our evolving understanding of project success. *Project Management Journal*, 36(4), 19-31.
- Katzenbach, J. R., & Smith, D. K. (1992). Why teams matter. *The McKinsey Quarterly*, (3), 3-28.
- Kendra, K., & Taplin, L. J. (2004). Project success: A cultural framework. *Project Management Journal*, 35(1), 30-45.
- Klein, C., Diaz Granados, D., Salas, E., Le, H., Burke, C. S., Lyons, R., & Goodwin, G. F. (2009). Does team building work? *Small Group Research*, 40(2), 181-222.
- Lado, A. A., & Wilson, M. C. (1994). Human resource systems and sustained competitive advantage: A competency-based perspective. *Academy of Management Review*, 19(4), 699-727.
- Lampman, R. J., & Dimeo, B. S. (1989). Team collaboration like playing ball. *J. Real Estate Dev*, 5(1), 56-62.
- Latham, G. P. (1981). *Increasing productivity through performance appraisal*. Prentice Hall.
- Lee-Kelley, L., & Kin Leong, L. (2003). Turner's five-functions of project-based management and situational leadership in IT services projects. *International Journal of Project Management*, 21(8), 583-591.
- LePine, J. A., Piccolo, R. F., Jackson, C. L., Mathieu, J. E., & Saul, J. R. (2008). A meta-analysis of teamwork processes: tests of a multidimensional model and relationships with team effectiveness criteria. *Personnel Psychology*, 61(2), 273-307.
- Lindgren, M., & Packendorff, J. (2009). Project leadership revisited: Towards distributed leadership perspectives in project research. *International Journal of Project Organisation and Management*, 1(3), 285-308.
- Locke, E. A., & Latham, G. P. (1990). *A theory of goal setting & task performance*. Prentice-Hall, Inc.
- McDonough III, E. F. (2000). Investigation of factors contributing to the success of cross-functional teams. *Journal of Product Innovation Management: An International Publication of the Product Development & Management Association*, 17(3), 221-235.
- Morris, P.W. G. (1988). Managing project interfaces. In D. I. Cleland & W. R. King (Eds.), *Project Management Handbook*, (2nd ed.).
- Morris, P. W., & Hough, G. H. (1987). *The anatomy of major projects: A study of the reality of project management*. Chichester, UK: John Wiley and Sons.