



RESEARCH ARTICLE

EFFECTS OF LEADERSHIP ON PROJECT PERFORMANCE: A CASE OF IN-HOUSE PROJECTS OF TOTAL KENYA LIMITED

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ABSTRACT

This study sought to assess how leadership-related factors such as emotional intelligence, project leader motivation, leadership power and influence, leadership competence and project leader team work affect project performance. Total Kenya Limited like other oil marketers has faced leadership challenges in the undertakings of its projects. As a result of poor leadership the company continues to face drastic uncontrollable market factors such as ultra-modern and expansive retail network by its competitors, entry of other oil companies in the non-fuel business projects, inadequate fuel storage capacity due to increased demand, use of modern fuel dispensing facilities by other oil marketers, government price control measures among others that necessitate strong leadership skills for ultimate performance of the company. The aim of this study was to illustrate how emotional intelligence, leader power and influence, project team work, team leader motivation and competence influenced the performance of projects in Total Kenya. The study involved use of descriptive research design. A sample of 85 employees was drawn from a target population of 170 employees in the operations and project development department using stratified random sampling. A questionnaire was used to collect data where each respondent filled and submitted a structured questionnaire that was given to them. The findings were analyzed and presented by way of charts, frequency, mean, regression analysis, graphs and tables. The results were then to be used to improve project efficiency and develop good leadership plans of managing projects in the oil industry. The findings of the study revealed that project leaders in Total Kenya; are not emotionally intelligent and competent, do not embrace teamwork spirit among their members, lacks teamwork motivation and do not use their power and influence properly. However, further study should be carried out on multiple projects in other oil companies to provide a more insight on the effect of leadership on project performance.

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INTRODUCTION

Effective leadership is crucial in Total Kenya Limited as it is throughout its branches in other parts of the world. The company is not different from others worldwide in terms of striving to perform in order to be globally competitive in an ever emerging challenges which includes great dynamic markets featuring innovation-based competition, price performance rivalry, decreasing returns, and the creative destruction of existing competencies. This has seen many companies with huge capital investment projects close down their business in Kenya, diversify and others opting for joint ventures such as Mobil and Chevron. Total Kenya limited was first registered as OZO East Africa Limited in 1955 but begun its actual business operations in 1959. In 1963, the company name changed from OZO East Africa Limited to Total Oil

Products East Africa Limited which held its first IPO in 1988 making it the first multinational oil company to be quoted on the Nairobi Stock Exchange. Total Oil Products East Africa Limited changed its name to Total Kenya Limited in 1991 and has since operated under the same name to date. The company is part of the global Total Group, which is the fourth largest publicly traded integrated international oil and Gas Company in the world with presence in over 130 countries. Leadership plays a big role in the management of projects in the oil industry and it has a big effect on performance of these projects. Consequently, while leadership may be singled out as an individual contributor to failure, it transcends all other organizational factors (Roepke, Agarwal, & Ferratt, 2000). Leadership affects corporate culture, project culture, project strategy, and project team commitment (Shore, 2005). In addition, leadership also affects business process reengineering, systems design and development, software selection, implementation, and maintenance. Without appropriate leadership, the risk of project failure increases (Shore, 2005). The success of projects require effective

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leadership from the in-house project team members with high skills. In-house projects are projects that are executed within a company for reliability and perfect alignment with the business objectives. Some of the in-house projects in Total Kenya Ltd include; LPG refilling plant, lubricants blending plant, TDL laboratory, service station network coverage in Kenya, installation and maintenance of equipment at customer sites, maintenance and upgrading of fuel and aviation depots, in-house ECO-challenge projects and other expansion projects.

Projects with their unpredictable nature require managers that are able to adapt to different leadership styles (Kippenberger, 2002). This study was expected to bring out the factors associated with project manager’s leadership style having profound impact on the performance of the project.

MATERIALS AND METHODS

The study employed a case study research design. This is an in-depth study of a particular research problem rather than a sweeping statistical survey. It is often used to narrow down a very broad field of research into one or a few easily researchable examples. This involved collecting empirical data, generally from Total Kenya Limited. Case study usually provides rich detail about those cases, of a predominantly qualitative nature. It generally aims to provide insight into a particular situation and often stresses the experiences and interpretations of those involved. Conversely, when it comes to data collection, this was done through the use of a questionnaire. The questionnaire was self-completed and collected within two weeks of delivery. Data collected from the field was coded and entered into the computer for analysis using the Statistical Package for Social Sciences (SPSS) version 11.5 for windows. The research yielded data that required both qualitative and quantitative analysis. Quantitative analysis entails analyzing numbers about a situation by choosing specific aspects of that situation. Descriptive statistics were used to analyze the quantitative data obtained. Quantitative data was analyzed using descriptive statistical tools such as frequencies, percentages, means and regression analysis.

RESULTS

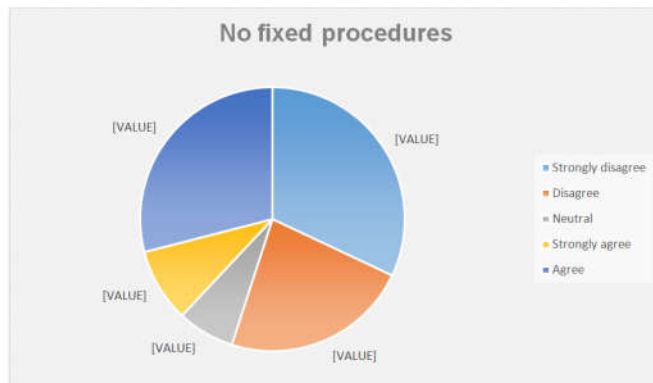
Fixed procedures

The study in its view of gaining insight into the effectiveness of leadership on project performance sought to establish whether the project team leader had fixed procedures and if he makes them up as the task or project progresses. In response to this question, 29% agreed, 23% disagreed, 7% are neutral, 9% strongly agreed, and 32% strongly disagreed. This shows most of the respondents 55% disagreed and strongly disagreed that the project leader has no fixed procedures for his team members to follow.

Effectiveness of Project Leader

The study also sought to establish whether the project leader was effective at getting everyone in the group involved in discussion and tries to keep order and contributes to the task at hand. From the findings, 12% strongly disagreed that the team leader was effective, 30% disagreed the team leader project was effective, 5% of the respondent were neutral, while a total

of 54% strongly agreed and agreed that the team leader was effective. The results were represented on the table below.



Project leader effectiveness

	Frequency	Percent	Valid percent	Cumulative percent
Valid Strongly disagree	10	11.5	11.5	11.5
Disagree	26	29.9	29.9	41.4
Neutral	4	4.6	4.6	46.0
Agree	26	29.9	29.9	75.9
Strongly agree	21	24.1	24.1	100
Total	87	100	100	

Source: Field data (2013)

Implementation of Projects

The respondents were asked for their opinion regarding implementation of projects under the guidance of project leader. Therefore, the respondents were asked to indicate whether they were effective or not. From the findings, only 28% of the respondents said that the implementation was effective while 72% of the respondents did not agree that the implementation of the projects was effective. This is represented in the table below.

Project implementation

	Frequency	Percent	Valid percent	Cumulative percent
Valid Effective	24	27.6	27.6	27.6
Not effective	63	72.4	72.4	100
Total	87	100	100	

Source: Field data (2013)

DISCUSSION

The project leaders in Total Kenya do not embrace teamwork. Even the project leader trusts his or her team members and supervises them minimally, he or she fails to organize team building activities for them and also accept and recognize their strength and weaknesses. This affects adversely the productivity of the team members and hence poor performance of the projects under the leadership of the project leader. The findings of the study also revealed that a project leader in Total Kenya Limited does not use his/her powers and influence effectively even though he shares it and shows people what is possible and motivates them. This is because majority of the team members felt that their project leader does not lead by modeling ways of thinking and does not assigns tasks to appropriate people based on knowledge of individuals

respectively. The project leader was found to be effective only when it comes to convincing others to perform a task or approach in a different manner.

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