

BETWEEN FAILURE AND SUCCESS: THE ROLE OF PROJECT MANAGER'S LEADERSHIP IN ACHIEVING PROJECT SUCCESS DIMENSIONS

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ABSTRACT

Project success is a complex, multidimensional concept in project management, lacking a universally accepted framework for its definition and measurement. Among the numerous factors influencing project outcomes, the leadership role of the project manager has gained increasing academic and practical attention. This paper examines the relationship between project manager leadership competencies and the achievement of five dimensions of project success: project efficiency, team satisfaction, customer/client satisfaction, business success, and future capacity building. The theoretical part systematizes eight key leadership factors — self-awareness, team motivation, human resource management, human resource development, sensitivity, team empowerment, influence on team members, and critical thinking — and analyzes their contribution to effective project management. The empirical part applies a quantitative approach based on a survey conducted among 257 respondents from Bosnia and Herzegovina, Serbia, and Montenegro. Descriptive statistical analysis, along with reliability and validity testing, was used to examine the perceived influence of leadership competencies on each success dimension. The findings confirm that leadership competencies significantly influence all examined dimensions of project success, with team satisfaction ($M = 4.45$) and project efficiency ($M = 4.33$) emerging as the most strongly affected outcomes.

Key words: project success, project manager leadership, leadership factors, project success dimensions

INTRODUCTION

Despite the well-developed body of knowledge in the field of project management, a universal agreement among authors has still not been reached regarding the definition and measurement of project success that would be suitable for all projects, given the different human, budgetary, and technical variables of each project. The criteria for measuring project success have evolved from the easily measurable parameters of the iron triangle (time, scope, and cost) to complex multidimensional frameworks that adopt a long-term perspective and encompass both efficiency and organizational impact. Contemporary researchers are increasingly focusing on measuring project success through the impact that projects have on the organization. Emphasis is placed on the achievement of organizational goals, the purpose of the project, and customer satisfaction (Albert et al., 2017). Shenhar and Dvir proposed a new way of viewing project success, emphasizing that projects should not be assessed solely through the fulfillment of deadlines and budgets, but in a broader sense. They introduced a model based on five dimensions of project success that are evaluated at different periods following project completion. This model includes the following dimensions (Shenhar & Dvir, 2007): project efficiency, impact on the customer, impact on the team, business success, and preparing for the future.

Given the increasing complexity of modern projects and the growing importance of soft skills in project environments, leadership competencies of project managers have become a critical determinant of project outcomes. In addition to technical expertise, project managers are expected to demonstrate behavioral and emotional capabilities that enable them to coordinate teams, manage stakeholder expectations, and ensure alignment between project objectives and organizational goals. Therefore, understanding the specific leadership factors that contribute to different dimensions of project success is essential for improving both project performance and overall organizational effectiveness.

This study empirically examines the influence of project manager leadership competencies on five dimensions of project success. The applied quantitative approach combines descriptive statistics with reliability and validity testing to ensure robust measurement and interpretation of findings.

LITERATURE REVIEW

Leading a project and its associated team toward success requires project managers to perform their duties efficiently and effectively. The leadership aspect of project management is multidimensional, encompassing technical, behavioral, and emotional competencies that collectively determine a project manager's effectiveness (Maqbool et al., 2017; Geoghegan & Dulewicz, 2008; Nguyen & Hadikusumo, 2017). These competencies, summarized in Table 1, extend beyond interpersonal skills to include human resource management as a whole (Demirkesen & Ozorhan, 2017). Despite their recognized importance, technical and scientific professionals often lack the leadership capabilities necessary to manage people effectively (Thite, 2000).

The project manager represents the main driving force behind a project, and team performance largely depends on the manager's individual leadership style (Gruden & Stare, 2018). The role of leadership competence in improving project performance is crucial, as the project manager must select the management style most appropriate for the type and complexity of the project (Ahmed & Anantatmula, 2017; Müller & Turner, 2010). Beyond technical coordination, effective leadership requires understanding team members' needs, expectations, and motivations, and ensuring that personal interests align with project goals. In this regard, emotional intelligence plays a particularly important role — project managers with higher levels of emotional intelligence tend to adopt open communication and transformational leadership styles, fostering proactive behavior and trust within the team (Afzal et al., 2018). These emotional attributes help teams integrate their specific knowledge and skills, ultimately ensuring that projects are completed effectively within budget and time constraints (Sunindijo et al., 2007).

Additionally, leadership may influence project success by creating an environment in which project teams actively contribute to successful outcomes. Gundersen et al. argue that transformational leadership provides clarity regarding performance standards and reduces role ambiguity within projects, ultimately leading to project success (Gundersen et al., 2012). More specifically, transformational leaders possess a clear vision of what the project should become and how success can be achieved, thereby exerting a direct positive influence on project outcomes (Ahmed & Anantatmula, 2017). The leader's vision, in turn, should be communicated to team members so that they believe in it and become motivated and enthusiastic about achieving it (Aga et al., 2016).

Project management literature consistently calls for more empirical studies on transformational leadership, given that poorly developed leadership practices are cited as a primary driver of project failure (Zaman et al., 2019; Raziq et al., 2018; Maqbool et al., 2017). The leadership competencies examined in this study are summarized in Table 1.

Recent meta-analytic evidence further confirms that transformational leadership significantly outperforms transactional leadership in achieving project success across different sectors and contexts (Abbas & Ali, 2023). Furthermore, the empowerment dimension of leadership has emerged as a particularly critical mechanism: Fareed et al. (2023) demonstrated that psychological empowerment

mediates the relationship between transformational leadership and project success, while Nauman et al. (2022) showed that an empowerment climate strengthens the beneficial effects of team-building on project outcomes.

Table 1: Leadership competences of the project managers

Competence	Reference
– self-awareness, – team motivation, – human resource management, – human resource development, – sensitivity, – team empowerment, – project manager's influence on team members, – critical thinking	Maqbool et al, 2017; Taherdoost, Keshavarzsaleh, 2016; Nguyen and Hadikusumo, 2017; Newton, 2009; Thite, 2000; PMBOK Guide, 2017; Geoghegan, Dulewicz, 2008; Taherdoost, Keshavarzsaleh, 2016

RESEARCH METHODOLOGY

This research is both descriptive and explanatory in nature and, using a quantitative approach, was conducted through a survey method implemented via the SurveyMonkey platform over a period of approximately three months. The questionnaire was distributed electronically through communication channels and the database of the global Project Management Institute (PMI) network, specifically local offices in Bosnia and Herzegovina, Serbia, and Montenegro. The distribution process was conducted according to the Dillman approach (Dillman & Smyth, 2008), allowing only one response per participant. In this way, the anonymity of respondents was preserved, while multiple submissions were disabled on the SurveyMonkey platform to ensure a single response from each participant.

This research involves the evaluation of a cluster of leadership competencies and their influence on the achievement of specific dimensions of project success, namely: project efficiency, team member satisfaction, customer/client satisfaction, business success, preparing for the future. All variables were measured using a 5-point Likert scale ranging from “very low impact” to “very high impact”.

The target group consisted of individuals who had either previously participated in a project or were currently involved in one. This ensured inclusion of respondents with relevant experience in project management, regardless of whether their organization is primarily project-oriented or not. In addition, organizations that periodically execute projects alongside their core activities were also included.

The geographical distribution of respondents covered Bosnia and Herzegovina, Serbia, and Montenegro. A total of 281 questionnaires were collected, out of which 257 valid responses were retained for analysis. The obtained sample size is considered adequate for quantitative analysis.

The sample was diverse in terms of demographics, experience, and organizational representation. The gender distribution was almost equal, with 129 female respondents (50.2%) and 128 male respondents (49.8%). The age of respondents ranged from 23 to 70 years. All respondents were highly educated, with the majority holding a doctoral degree (49.8%). The internal consistency of the leadership competency scale was tested using Cronbach's alpha coefficient, which indicated good reliability of the measurement instrument ($\alpha = 0.875$).

In addition, construct validity was assessed using Composite Reliability (CR) and Average Variance Extracted (AVE). The results confirmed strong construct reliability and convergent validity. The CR value was 0.93, exceeding the recommended threshold of 0.70, while AVE was 0.65, above the recommended value of 0.50. These results confirm that the measurement instrument is reliable and valid for further empirical analysis.

RESULTS

In this section, the data related to cluster evaluation are presented in tabular form, along with their impact on the achievement of specific project success dimensions, *table 2*.

Table 2: Evaluation of Leadership Style (Project Manager Leadership) on Project Success Dimensions

Impact level	Project efficiency	Team satisfaction	Customer/client satisfaction	Business success	Future capacity building
Very low impact	2 (0.7%)	0	0	1 (0.4%)	0
Low impact	0	5 (1.8%)	9 (3.2%)	4 (1.4%)	4 (1.4%)
Medium impact	19 (6.8%)	18 (6.5%)	30 (10.8%)	35 (12.5%)	29 (10.4%)
High impact	88 (31.5%)	58 (20.8%)	75 (26.9%)	67 (24.0%)	68 (24.4%)
Very high impact	90 (32.3%)	118 (42.3%)	85 (30.5%)	92 (33.0%)	98 (35.1%)
Total valid responses	199	199	199	199	199
Missing	80	80	80	80	80
TOTAL	279	279	279	279	279

After presenting the frequency distribution of responses, additional descriptive statistical analysis was conducted in order to obtain a clearer understanding of the perceived influence of project manager leadership on different project success dimensions. Mean values and standard deviations were calculated based on Likert-scale responses, and the results are presented in Table 3.

Table 3: Descriptive Statistics of Project Success Dimensions

Project success dimension	N	Mean (M)	Standard Deviation (SD)	Rank
Team satisfaction	199	4.45	0.76	1
Project efficiency	199	4.33	0.73	2
Future capacity building	199	4.31	0.79	3
Business success	199	4.23	0.84	4
Customer/client satisfaction	199	4.19	0.85	5

Descriptive statistics indicate a high perceived influence of project manager leadership across all project success dimensions, with mean values ranging from 4.19 to 4.45. The highest mean value was recorded for team satisfaction ($M = 4.45$, $SD = 0.76$), suggesting that leadership competencies are perceived as particularly important for team-related outcomes. This was followed by project efficiency ($M = 4.33$, $SD = 0.73$), future capacity building ($M = 4.31$, $SD = 0.79$), and business success ($M = 4.23$, $SD = 0.84$). The lowest mean value was observed for customer/client satisfaction ($M = 4.19$, $SD = 0.85$), although it still indicates a high level of perceived leadership influence. The relatively low standard deviation values suggest a consistent perception among respondents regarding the importance of leadership for project success.

DISCUSSION

All project success dimensions show a very high perceived influence of project manager leadership (means > 4.0), indicating strong respondent agreement that leadership competencies significantly contribute to project success.

The results reveal a clear pattern across all five dimensions. Team satisfaction emerged as the most strongly influenced dimension ($M = 4.45$), underscoring the centrality of motivational and relational leadership competencies — particularly transformational leadership and emotional intelligence — in shaping team dynamics. Project efficiency followed closely ($M = 4.33$), confirming that leadership is directly associated with operational performance, including planning, coordination, and budget control. Future capacity building ($M = 4.31$) and business success ($M = 4.23$) also recorded high values, indicating that the influence of leadership extends beyond immediate project delivery toward broader organizational and strategic outcomes.

Although customer/client satisfaction recorded the lowest mean value ($M = 4.19$, $SD = 0.85$), the result still indicates a strong perceived influence of leadership. This may suggest that external stakeholder satisfaction is additionally shaped by factors beyond the direct control of project managers, such as market conditions and client expectations.

The relatively low standard deviation values indicate a consistent perception among respondents regarding the importance of leadership across all project success dimensions. Overall, the findings support the multidimensional view of project success proposed by Shenhar and Dvir (2007), emphasizing that project success extends beyond traditional time, cost, and scope constraints.

The present findings are consistent with recent empirical studies that have examined similar dimensions of project outcomes. Abbas and Ali (2023), in a meta-analytic review of 50+ studies, confirmed that transformational leadership positively influences project success across diverse organizational contexts, with the strongest effects observed in relation to operational and team-level outcomes, a pattern closely aligned with the current study's finding that project efficiency and team satisfaction record the highest mean values.

Regarding the team empowerment competency, the results echo findings by Fareed et al. (2023) and Nauman et al. (2022), who demonstrated that empowerment, both psychological and climate-based, serves as a key mechanism through which leadership translates into tangible project outcomes. This is particularly relevant to the current study's finding that future capacity building ($M = 4.31$) is perceived as strongly influenced by leadership, as empowerment practices directly contribute to long-term organizational learning and adaptability.

Furthermore, Han et al. (2024) found that transformational leadership enhances project success through sequential improvements in team flexibility and team agility, dimensions that closely correspond to the 'preparing for the future' success dimension identified in the Shenhar and Dvir (2007) framework used in this study. The relatively lower perceived influence of leadership on customer/client satisfaction ($M = 4.19$) may also be interpreted in line with Altaher et al. (2024), who noted that customer-facing outcomes are mediated by team collaboration quality and are thus more distal from direct leadership behaviors.

CONCLUSION

The findings demonstrate that project manager leadership is perceived as a highly influential factor across all five examined dimensions of project success. Among these, team satisfaction emerged as the most strongly influenced dimension ($M = 4.45$), followed by project efficiency ($M = 4.33$) and future capacity building ($M = 4.31$), while customer/client satisfaction recorded the lowest, though still high, level of perceived influence ($M = 4.19$).

The results confirm that leadership plays a crucial role not only in operational project execution but also in broader organizational and strategic outcomes. In particular, competencies such as motivation, communication, emotional intelligence, empowerment, and human resource development contribute significantly to project success.

From a theoretical perspective, the study supports the multidimensional view of project success and reinforces the importance of leadership as a central determinant in project management literature. From a practical perspective, the findings highlight the need for organizations to invest in developing leadership capabilities of project managers in order to improve overall project performance.

The study has several limitations, including the use of self-reported data and a geographically limited sample. Future research could expand the scope by including different industries, larger international samples, and applying more advanced statistical techniques such as structural equation modelling (SEM) to further explore causal relationships.

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