The influence of transactional leadership and soft skill project manager to project success factor in the Indonesia construction industry

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Abstract. The Indonesian government in the next 5 years will focus on infrastructure development and also human resources. The need for construction human resources is huge, considering that infrastructure development, especially for the new National Capital, can be implemented well. In the field of building construction, project implementation requires not only good scheduling, knowledge and technical skills but also human resource management. This is because the project organization involves many stakeholders, one of which is the project team. In large-scale projects with high complexity require project manager skills in leading projects to achieve goals. Leadership is a part of skill competency that is classified as soft skills for project managers. And the transactional leadership style is part of the leadership that is widely applied in Indonesia. Therefore, the authors examine the effect of transactional leadership and soft skills on project managers on the factors that influence project success in Indonesia. This research using questionnaires and addressed to construction companies in Indonesia and processed by SEM (Structural Equation Modelling) - PLS method.

1. Introduction
On the Asian level, Indonesia's construction is in the fourth position which is very profitable and productive [1]. In Indonesia, construction sector is a contribution of number four in the economy, giving a total of Rp 1.65 trillion (117 million US dollars) to GDP on 2019 Quarter 1, representing a section of 10.76%, according to the Central Statistic Agency (BPS) is a sector in Behind industry, trade and farming fisheries which each represent 20.07% of GDP, 13.2% of GDP, and 12.65% [2]. In the field of building construction, project implementation not only requires good scheduling, knowledge and technical capability but also human resource management. This is because the project organization involves many stakeholders, one of which is the project team. Human resource management requires a project manager with leadership that is the ability of managerial to succeed the construction project. One of them is the ability on the project organization to manage human resources.

The importance of the project manager is have balanced skills of management and Leadership [3]. Effective leadership is indispensable, as leadership relates to project success. On large-scale projects with high complexity requires the skill of the project manager in leading the project to reach the goal. Leadership is part of the skill competency that belongs to the soft skill of the project manager. And the style of transactional leadership is one of the leadership in project management [4]. The success of the
The construction project is influenced by several factors, one of which is the competence of the project manager. The success of construction projects is influenced by several factors, one of which is the competence of the project manager. Competence of the project manager are Hard Skills and Soft Skills. Many frameworks such as PMBOK, APM, and IPMA provides detailed insight into developing the competency of project managers for both and soft skills.

2. Research objective
The objective of this research as follow:
- To identify transactional leadership in the project manager to influence the factors affecting the success of the construction project.
- To identify soft skills in the project manager to influence the factors that affect the success of the construction project.
- To correlate the relationship between transactional leadership and soft skills in the project manager against factors affecting the success of construction projects.

This research uses a limitation softskills with 5 aspects are communication skill, conflict management skill, achievement motivation skill, team work and cognitive skill and only discusses project success factors based on four (4) aspects, namely comfort, competence, commitment, and communication.

3. Literature review
In previous research, evidenced that there are still many project managers in Indonesia applying transactional leadership to the construction in Indonesia. Based on the research’s Potter, project manager in NZ and the UK there is a positive relationship between leadership style and emotional intelligence. According to Zuo et al, confirmed that soft skills of project managers significantly contributed to the project success factors in the Vietnamese construction industry [5].

3.1. Transactional leadership
Transactional leadership is a process of exchanging between leaders and followers where leaders reward as a result of the efforts of a follower to achieve the expected level of performance or that is agreed by the leaders. The transactional leader determines the desires of the followers and gives a leader in the leadership of this model to support his subordinates, but does not support or assist the work of his subordinates [6].

3.1.1. Contingent rewards. The transactional leader who has a contingent reward character will explain the objectives and objectives that are to be achieved and direct subordinates to achieve it. The small rewards will depend on the extent to which the subordinates reach those goals and objectives [7].

3.1.2. Management By Exception Active (MBEA). Leaders determine rules, and explain what ungood performance is and what makes subordinates punished if they don't comply with the rules. This leadership style involves monitoring and correcting of failure or mistakes takes corrective action as quickly as needed.

3.1.3. Management By Exception Pasive (MBEP). Passive Management by exception does not encourage subordinates to work vigorous. As long as the target is reached and the organizational system goes as it should then everyone is happy, there is no new adventure or challenge in working. The condition will bring saturation to the subordinate so that the organizational performance will not be maximized [8].

3.2. Soft skills
The competency of soft skill according to Boyatzis is an emotional intelligence defined as a composition of the ability that makes one can determine how to manage himself, his life, and his work [9]. Defines soft skills as intangible interpersonal skills and not related to delivery or output. According Zuo et al, 5
aspects are achievement motivation skill, communication skill, conflict management skill, teamwork, and cognitive skill [5].

3.3. Project success factors

Project success can be measured from the main factors that are key to the success of the project. Many practitioners make a summary of the factors that can be used as a reference for the project's success. The main factors made are minimizing and mitigating the failure factor of each project being executed so as to increase project success [10]. The Project success factors are comfort, competence, commitment, and communication [11]. Comfort is that all necessary needs during the project should be available such as resources, money, as well as the leader itself. This makes it convenient for project managers and project members to ensure projects run smoothly. Contract documentation also need for sure agreement as well as proper. Competence is the components are Project Manager use up-to-date technology, use past project experiences for solving problem, have competence team and good to doing bids contractor/supplies/designer. In Costruction project especially large project needs use technology, but sometimes the member incompetent. The member of project team need to be transfer technology. Commitment is important factor because many members and people involved in the project. This component makes a clear for scope of project. And commitment for Project Manager to finish this project, also stakeholder support to doing this commitment [12]. Communication is really important to Project Success Factor, many country communication its first Project Success Factors, because communication is key community involvement. Communication is one of important factor for integrating people and make the decision to make a successful project [13]. And then, in project need to make an effective information system for construction projects so that people can access and share ideas. More generally, "project vision sharing". In large construction project, communication with community in project area is needed because its many have a controversy [14].

4. Research methodology

4.1. Literature review

In this part to identify variables Y is Project Success Factors and have 4 indicators with 14 sub indicators which is for the questionnaire. Variables X are Transactional Leadership have 3 indicators with 12 sub indicators and Soft skills Project Manager have 5 indicators with 26 sub indicators.

4.2. Creating survey questionnaire

After review literature for 3 variables, all of sub indicators for questionnaire. Then after being compiled into 52 question with the answer likert scale. Likert scale is used to measure the opinion of respondents regarding the extent of the causes and impacts of each variable using a scale of 1 to 5. Scale 5 has the highest impacts and scale 1 has the lowest impacts.

4.3. Distribution of the questionnaire

This research strategy will be carried out by means of a quantitative survey, a survey carried out by taking a sample from one population using a questionnaire for primary data collection tool. This research survey was conducted on several correspondents who had been determined in advance. The sampling method used is non probability sampling with a purposive sampling procedure. With nonprobability sampling, members of the population do not have the same chosen opportunity to be sampled and the purposive sampling procedure of sampling techniques is quite often used because this method uses criteria that have been selected by researchers in selecting samples. From all questionnaires distributed to all professional in project team with experiences more than 2 years. This research sample used 129 samples.

4.4. Analysis SEM-PLS

After collected survey questionnaire, data analysis will be process using program SmartPLS3.
5. Results
The data in this study consisted of primary data, which is primary data collection from a questionnaire survey, the questionnaire contained several conditions to obtain the research sample as expected, namely construction project professionals with a minimum of 2 year experiences in Indonesia. Data collected from 129 respondents. The results that the average variance extracted (AVE) roots of each construct are greater than the correlations between constructs on different variables in the model, so the constructs and indicators in this study have good discriminant validity. Convergent validity test was carried out in this study because the indicator model specified was a reflective indicator model. Measurement of convergent validity can be seen in factor loading values greater than 0.6 - 0.7, and AVE value must be above 0.5 - 0.6. But theory of Hair et al, then loading factors 0.4 - 0.7 need to be considered for research.

Table 1. The result are the loading factor and AVE values for all variables are above 0.4 except transactional leadership, and for reliability is above 0.7. The reliability test is different from the validity test, because the test results on the validity test are seeing AVE results that exceed the threshold of 0.4, while the reliability test looks at composite reliability. All variables have a composite reliability > 0.7, the lowest composite reliability is 0.740 that is communication, and for the largest is 0.93 that is soft skill, it means construct and indicators are reliable.

Table 2 explains the summary of SEM PLS inner model results are soft skills become the more influential on project success factors with T-Statistics value is 17.356 than Transactional leadership with T-statistics value is 0.061. T-statistic value means if the value > 1.96 is confirm [15].

Table 3 explains bootstrapping results it means that the construct of performance has an R-Square Adjusted 0.740 value on project success factors, 0.740 shows that 74% of the variance of project success factors can be explained by Transactional leadership variables and soft skills in project managers, while 26% is another caused factors from the outside construct of model. Transactional leadership has a positive effect on project managers on project success factors in the Construction Industry in Indonesia.

H0: Transactional leadership has no significant influence on the Project Success Factors variable. H1: Transactional leadership has a significant influence on the Project Success Factors variable, because in
the table 3 the value of T-statistics = 0.061< 1.96 so that H0 is Accepted, and H1 is Rejected, which means the Transactional leadership variable has a positive but not significant effect on the project success factors variable. Soft skills in project managers have a positive influence on project success factors in the Construction in Indonesia. H0: Soft skills do not significantly influence the Project Success Factors variable. H1: Soft skills significantly influence the Project Success Factors variable, because in the table 3 the value of T-statistics = 17.36> 1.96 so H0 is rejected, and H1 is accepted, it means that the soft skills variable has a positive and significant influence on the project success factors variable.

Table 2. SEM PLS inner model results.

| Variable and Sub variables       | T Statistics |
|----------------------------------|-------------|
| Transactional Leadership -> Contingent Rewards | 6.862       |
| Transactional Leadership -> Management by Exception Active | 7.370       |
| Transactional Leadership -> Management by Exception Passive | 7.573       |
| Transactional Leadership-> Project Success Factors | 0.061       |
| Project Success Factors -> Comfort | 27.533      |
| Project Success Factors -> Commitment | 17.634      |
| Project Success Factors -> Communication | 17.596      |
| Project Success Factors -> Competence | 17.203      |
| Soft skills -> Cognitive skills | 16.960      |
| Soft skills -> Team works and collaboration | 61.754      |
| Soft skills -> Effectively communication | 21.980      |
| Soft skills -> Conflict management | 20.995      |
| Soft skills -> Achievement motivations | 35.572      |
| Soft skills -> Project Success Factors | 17.356      |

Table 3. SEM PLS inner model results.

| Variable and Sub variables       | R Square | R Square Adjusted |
|----------------------------------|----------|------------------|
| Project Success Factors | 0.745 | 0.740 |

Table 4. Variables correlations.

| Transactional Leadership | Soft skills |
|--------------------------|-------------|
| Soft skills              | 0.575       |

Table 4 explains SEM-PLS result, that’s is a correlation value between soft skills and Transactional leadership of 0.575 out of 1, it means 57.5% have a relationship or relationship between the variables of soft skills and Transactional leadership.

6. Conclusion
In Indonesia, soft skills become the more influential on project success factors than Transactional leadership even there are still many project leaders who employ transactional leadership in order to achieve project success, and many project team members want a reciprocal relationship that they are doing, but not for strict supervision if they are a mistake. Because these two indicators are included in transactional leadership. Soft skills in project managers can help solve problems, as well as good working relationships that can realize the wishes/interests of individuals, teams, and stakeholders. In
this research have limitations in the probability of samples. Due to the sampling method these respondents were chosen randomly based on their willingness to participate in the research.

Acknowledgement
The Author would like to thank the all members which have fully supported the author in finishing this research.

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