

# Examining the mediating role of Psychological Empowerment in the relationship between Transformational Leadership and Project Success

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## Abstract

Despite the relevance of transformational leadership and employee empowerment on project success, literature pays little attention to the concept of psychological empowerment in the context of project management. This paper sets the background to examine the impact of transformational leadership and psychological empowerment on project success, contributing in eliminating possible causes of project failure and losses.

Data screened before being analysed and empirically tested. The findings are supporting hypotheses and showed that transformational leadership and psychological empowerment have a significant relationship influencing project success. The results are inviting project leaders to adopt psychological empowerment, which stimulates the employees to express their ideas, effective feedback, and concerns to create a situation for continual success. The researcher found that Psychological Empowerment mediates the effects of transformational leadership on project success, encouraging project leaders to raise awareness for empowering employees to secure project success.

**Keywords:** Transformational Leadership, Psychological Empowerment, Project Management, Project Success, Employee Empowerment, Project Resources, and Employee Performance.

## Introduction

The demand for effective leadership and the need for empowering human resources have become increasingly important and critical organizational requirements for projects and organizations. This becomes essential for achieving their strategic objectives, desired sustained growth and success in their area of business and projects. Organizations are increasingly hiring employees who are proactive and respond innovatively to solving work problems. Through planned project success, organizations can seek to maintain their continual growth and success.

The results of project management studies have driven more organizations to become project-oriented and apply project management principles in building their strategic business models. A "rapid change in the functional work domain has caused organizations to forgo traditional hierarchical position-based leadership models in favor of structures where decision-making authority" is distributed to lower ranks within an organization (Peterson, 2014). Decision-making authority is related to the feeling of empowerment and being able to make a difference in an organization. Recent studies have also shown that employee experiences of empowering behavior by their leaders are positively and significantly related to the dimensions of psychological empowerment.

Research on project management has shown that the actions, attributes, and activities of a project manager can have a significant influence on the outcome of a project (Hagan & Park, 2013). Hence, the purpose of this study is to explore the literature and establish a framework for achieving better clarity about the relationship between transformational leadership and psychological empowerment, taking into account the importance of having empowered human resources for securing project success.

Empowering human resources and encouraging participation in decision-making have been recognized to contribute to the success of organizations, Participative decision making is also explained as the 'process by which employees influence their work settings' (Strauss, 1998). Moreover, the working style of today's generation expects a new governance approach, that is a shift from tangible and rigid rules to more flexible, diverse and intangible ways of working (Chen and Zhou, 2018). this can be extended to support project management in achieving project success and eliminate project losses and failures as the ultimate aim of the

study.

In Saudi Arabia, government projects were studied and evaluated by the National Anti-Corruption Commission (Nazaha). Its publication dated April 2015 reported that 672 projects out of 1,526 government projects (44% of the total) were considered to be delayed and failed projects result in a 44% failure rate and 56% success rate. This percentage of success is much lower than the global average; hence, it is necessary to study why project success rates are low and what is needed to improve the situation and excel.

Obviously, project failure contributes negatively to the organizational goals and objectives, and a high percentage of project failure is a real global problem. Studies have shown that only 64% of projects meet their goals (Project Management Institute: Pulse of the Profession, 2015). That means 32% to 36% of projects are considered to have failed or incurred losses, which poses a considerable loss of opportunities and resources globally. Therefore, the problem of unsuccessful projects requires further attention and investigation.

Also, previous research has shown that appropriate behaviours by project managers is a major factor in attaining project success (Zwikael & Unger-Aviram, 2010; Scott-Young & Samson, 2008).

This paper will evaluate the effectiveness of transformational leadership and psychological empowerment on project success among project members, seeking to create a situation to support project leaders in Saudi Arabia for securing project success. Also, eliminating failure rates by raising the awareness of psychological empowerment and ensuring proper implementation along with project management practices that were put in place.

## **1. Literature Review**

This section reviews research variables in detail, including transformational leadership, psychological empowerment, and project success to develop a base for studying the relationship between transformational leadership and psychological empowerment, and demonstrating its impact on project success management in achieving.

### **1.1 Transformational Leadership**

Prior to 1964, leadership was largely studied in terms of traits and character, styles and behaviors, contingency interaction, status accrual and legitimacy (cognitive and behavioral), as well as prototype and perception (Carlyle, 1907; Hemphill, 1950; Hollander, 1964; Kahn, 1951; Stogdill, 1948). Leadership is a much researched topic and point of interest. It is known that leaders are the people who set the tone and culture within an organization. According to Northouse (2004), leadership is a process where an individual influences a group of individuals to achieve a common goal. Similarly, Chemers (2000) defines leadership as "a process of social influence in which one person is able to enlist the aid and support of others in the accomplishment of a common task" (p.27).

Bass (1985) reviewed Burns' (1978) theory on the four motivating factors for employees, namely charisma, intellectual stimulation, inspiring motivation, and attention to the individual. Bass expressed the importance of transformational leadership in addressing the challenges in an organization due to its ability to increase motivation among employees. In another study, Bass and Avolio (1997) described the characteristics of a charismatic leader as one who is willing to sacrifice for the good of the organization and being positive towards the goals that they want to achieve. Bass outlined the following aspects of transformational leadership:

- 1- "Idealized influence is where the leader becomes a role model, demonstrating the qualities of trust, honesty, enthusiasm and so on."
- 2- "Inspirational motivation by a leader means giving meaning to the tasks that are undertaken. They usually provide a vision or goal. Having a purpose motivates the group in carrying out their tasks."
- 3- "Intellectual stimulation is provided by a leader by challenging the group to question common assumptions or ways to do things. He or she seeks input and ideas from the group and encourages them to contribute, learn, and be independent. The leader often assumes the role of a teacher."
- 4- "Individual consideration is where a leader responds to a group member's needs. He or she acts as a role model, mentor, facilitator, or teacher to involve and motivate a member of the group to do tasks."

Bass was interested in how much a leader is capable of influencing their followers. A leader who is trustworthy, honest, and nurturing, among other qualities, inspire greater loyalty from his or her followers. In other words, being a role model and exhibiting these qualities transform followers and can

even inspire them to action - the 'revolutionary' is an example of this. Transformational leaders who show idealized influence display confidence and optimism, and expect high levels of moral and ethical conduct.

. A leader's empowering behavior, as experienced by the employee, is correlated with greater feelings of empowerment (Fong & Snape, 2013; Greco, Laschinger & Wong, 2006; Namasivayam, Guschait & Lei, 2014). Several studies have demonstrated how empowering leadership leads to various outcomes, such as employee empowerment (Van Dierendonck & Dijkstra, 2012; Zhang & Bartol, 2010).

## **1.2 Empowerment and Psychological Empowerment**

Over recent decades, the concept of empowerment has received much attention (Maynard, Gilson and Mathieu 2012). In addition, the concept of empowerment has been the subject of much discussion, and can be traced back to research into employee involvement and participation conducted more than 60 years ago (Maynard et al. 2012).

Despite that the concept of empowerment has gained increased popularity in the management field, many scholars still reduce its meaning to delegate or power-sharing with subordinates. This idea of delegation and the decentralization of decision-making power is widespread when describing the empowerment concept (Burke, 1986; Kanter, 1983). Conger and Kanungo critically analyze this and propose that empowerment should be viewed as a motivational construct that means "to enable" rather than simply "to delegate". They claim that there are various other conditions of empowering besides delegation, resource sharing or participation. Supporting this definition, Conger and Kanungo (1988) pointed out that power is the centre of empowerment, defining empowerment as "the process by which a leader or manager shares his/her power with subordinates" (p.477).

There are various definitions and approaches to empowerment, and Menon (2001) asserts that this is evidence of how diverse the thinking about empowerment is. There is no agreement on what empowerment is, and thus people talk about very different concepts. However, two main constructs of empowerment can be distinguished: structural empowerment and psychological empowerment (Menon 2001; Spreitzer 2008).

Structural empowerment is macro in orientation and is based on the foundation laid by Hackman and Oldham's job characteristics model (Conger and Kanungo 1988). In this perspective, empowerment is considered an act, namely the granting of power to a person (Menon 2001). Psychological empowerment on the other hand is micro in orientation and has grown out of Bandura's work on self-efficacy (Maynard et al. 2012:4; Spreitzer 2008). In this construct, empowerment is viewed as a psychological state, which manifests itself as cognitions that can be measured (Menon 2001).

Based on Spreitzer (1997), psychological empowerment produces an active self-orientation to employees' work roles, so it is reasonable to expect that an active attitude can be changed to positive behavior. Furthermore, empowerment strengthens employees and provides them with job enrichment, that is, a sense of possession, the ability to participate within an organization's borders and control over their business (Nelson and Quick

Therefore, psychologically empowered individuals see themselves as competent and able to influence their jobs and work environments in meaningful ways, facilitating proactive behavior, showing initiative, and acting independently (Spreitzer, 1995; Thomas & Velthouse, 1990). According to Avey et al. (2008), leadership style and psychological empowerment are related to feelings and cognitions of empowerment; according to Mardanov, Heischmidt and Henson (2008), employee behaviour depends on the employee's perception of his or her relationship with the leader.

In conclusion, from the literature through Kanter's (1993) theory, Thomas and Velthouse's (1990) framework, and validating measures by Spreitzer (1997), empowerment is categorized into two main constructs: structural empowerment and psychological empowerment. While both are needed for achieving employee empowerment, this paper will study psychological empowerment and its relationship with transformational leadership and project success. This is because project management is structured in a way that can address the elements needed for structural empowerment in its formal organizational requirements. In addition, exploring psychological empowerment in depth would yield better results for this research.

## **1.3 Project Success and Affecting Factors**

A project is a temporary endeavor undertaken to create a unique product, service, or result. The temporary nature of the project indicates a definite beginning and ending, and has social, economic, and environmental impacts that far outlast the projects themselves. Unique means the work needed to produce the product, or service, or whatever, is different in some distinguishing ways from other products or services.

The concept of project management has been increasingly applied in diverse industries and organizations (Kerzner, 2009; Packendorff, 1995). Also, companies have realized that project management can take a leading role in facilitating and enabling the changes involved (Koskela and Howell, 2002).

Project management involves a methodological approach to planning and guiding project processes from start to finish. It is further defined as a carefully planned and organized effort to accomplish a specific one-time task, such as constructing a building or introducing a new Enterprise Resource Planning (ERP) system to an organization. "There are few topics in the field of project management that are frequently discussed and yet so rarely agreed upon as the notion of project success" (Pinto & Slevin, 1988, p.67). A successful project measurement system is required to reflect the needs and expectations of all the stakeholders. Stakeholders' performances need to be measured and assessed throughout the project phases in order to ensure that no conflict, disputes, and blaming syndromes has occurred by the time the completion stage is reached (R. Takim & A. Akintoye, 2002).

Today, still many people think that as long as a person has strong technical skills, demonstrates a certain amount of aggressiveness and enthusiasm, and has worked on several project teams, he or she could be given the role of project manager. However, project managers can no longer depend on their positions or their own personal initiative to accomplish a goal because most projects managed today are from a matrix organization, in which project managers do not have complete authority over team members and require to be equipped with new skills of leadership and empowerment to be in a position to make a project successful.

## **2. Research problem and question**

Research shows that appropriate behaviours by project managers is a major factor in attaining project success (Zwikael & Unger-Aviram, 2010; Scott-Young & Samson, 2008). It is known that one of the most important challenges facing leaders nowadays is their ability to inspire and empower project teams for achieving best-performance levels that will lead to project success.

There is a need for project managers to prioritize leadership training as well as to practice continuous professional development to improve leadership skills. Similar studies have also provided support for the usefulness of training and development aimed at enhancing transformational leadership behaviours (Dvir et al., 2002; Barling, Weber, & Kelloway, 1996). This is important because no single leadership model is adequate to be used throughout the duration of the project. Hence, leadership performance must be tailored to support the different stages of the project.

Psychological empowerment has a positive impact if properly implemented to create a situation for project success and reducing project failure rates by engaging project teams and employees to deliver the best performance levels and meet project requirements. Neglecting the impact of the emotional side on the work environment is the main reason for leaving employees to work in a particular company, even if their salaries are high (Potdar et al., 2018).

This paper seeks to narrow this gap by increasing the awareness of psychological empowerment that may be significant to project leaders and project managers as well as contributing to the body of knowledge in the project management field.

Based on that, the researcher develops and raises the following questions: -

- 1- What is the relationship between transformational leadership and psychological empowerment in the context of project management in Saudi Arabia?
- 2- What is the relationship between transformational leadership and achieving project success in the context of project management in Saudi Arabia?
- 3- Is there a relationship between psychological empowerment and achieving project success in the context of project management in Saudi Arabia?
- 4- Does psychological empowerment mediate the relationship between transformational leadership and project success in the context of project management in Saudi Arabia?

## **3. Proposed Conceptual framework and hypotheses**

The hypothesized model is depicted to support the approach for exploring the relationships between all variables suggested for this paper. The model will help in creating a space to discuss the concept, associated definitions, and all interrelated activities in depth.

After studying the literature and reviewing several theories that dealt with research variables, the researcher relied on transformational leadership and psychological theories to build a conceptual framework which is expected to fill in the gap and contribute in improving the situation for eliminating losses and project failures within the context of project management in Saudi Arabia.

The model, as shown in the Figure 1, was chosen after reviewing the past literature and results of project performance in Saudi Arabia as reported by NAZAHA in 2015.

Problem statements indicates the importance of the independent and the impact of transformational leadership role on project success, considering that, transformational leadership is the key to successful change, as the role and importance of leadership have become an important issue due to many reasons known and revealed in the literature, such as constant change, its speed is increasing, and the future of business organizations depends on how leaders can lead the change (Knies et al., 2016). Furthermore, problem statement is introducing the importance of psychological empowerment as a mediating factor that has an influence and significance on the relationship between transformational leadership and project success.

Based on the above, this research consists of four key hypotheses which are:

- The first hypothesis (H1): Transformational leadership has a significant relationship with psychological empowerment.
- The second hypothesis (H2): Transformational leadership has a significant relationship with project success.
- The third hypothesis (H3): Psychological empowerment has a significant relationship with project success.
- The fourth hypothesis (H4): Psychological empowerment will mediate the relationship between transformational leadership and project success.

The study will follow the conceptual model as shown below:

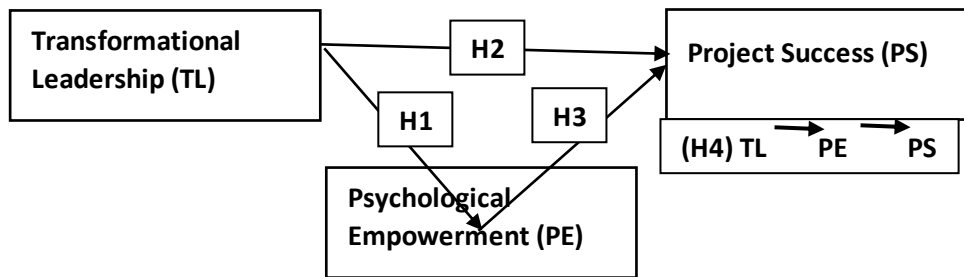


Figure 1: Conceptual Model

**4. Methodology**

**4.1 Research Method**

In this paper a quantitative research was applied through a questionnaire mainly prepared for and designed to collect primary information from the samples of the study. Quantitative research design is appropriate for the current study. This is required to examine the direct empirical relationship between transformational leadership, psychological empowerment, and project success. In addition, this study examined the mediating role of psychological empowerment on the relationship between transformational leadership and project success among project members in Saudi Arabia.

The first part includes demographic information about the respondents, including gender, age, education, experience; the second part will ask the respondents about the variables of interest in the study, which are (1) transformational leadership (2), project success (3), psychological empowerment. The first factor is an independent variable, the second factor is a dependent variable while the third factor is a mediator.

**4.2- Sampling and data collection**

In this study, data was collected through a self-administered survey using the stratified random sampling method. The required respondents were 216 project members estimated to be working for project management firms that are undertaking construction work in Saudi Arabia. These project management firms are assumed to be in charge of executing projects under implementation. The data will be collected via a self-administered survey using stratified random sampling method.

Three hundred survey questionnaires were distributed, 216 questionnaires were targeted and received. The sample size of n=216 was considered to be sufficient for this study as suggested by Sekaran (2003).

**5. Data analysis and Results**

In order to construct research variables, a Structural Equation Model (SEM) was employed. The proper selection of methodology depends on the complexity of the proposed model and quality of data, so the researcher used SEM in order to provide confidence in tests and results.

**5.1 Descriptive Analysis of Latent Variables**

Mean and standard deviation (SD) of the measurement scales were calculated. This study used a

five-point Likert scale ranging from "1" strongly disagree to "5" strongly agree.

Table 1 shows that the highest mean was Psychological Empowerment with 4.139 out of a maximum 5 making up approximately 82.7%. This is followed by Project Success at 4.121 making up 82.4%. In addition, the standard deviations (SD) for all variables range from 0.7424 to 0.7845, which reflects the existence of considerable acceptable variability within the data set. Table 4 presents descriptive statistics for all variables.

**Table 1.** Descriptive statistics for all variables

Variables	Minimum	Maximum	Mean	Percent	SD
<b>Transformational Leadership</b>	1.50	5.00	4.1217	824%	.78455
<b>Psychological Empowerment</b>	1.50	5.00	4.1397	827%	.75785
<b>Project Success</b>	2.00	5.00	4.1231	825%	.74241
Overall	1.50	5.00	4.1276	825%	.78242

**5.2 Assessment of Path Model Result (PLS-SEM)**

The assessment of the measurement model includes construct validity, convergent validity, and discriminant validity of the reflective constructs; the researcher initially tested the measurement model (PLS-SEM), then carried out the structural model analysis and hypothesis testing. The assessment of convergent validity was a fundamental part of assessing the measurement model. According to Hair, Risher, Sarstedt and Ringle (2019), convergent validity is confirmed in SmartPLS when items load highly (greater than 0.70 or 0.60 in exploratory research); constructs have an average variance extracted (AVE) of at least 0.5, and composite reliability (CR) measures of internal consistency reliability is above 0.70 and ranged from 0.944 and 0.948. Table 4 reveals the reliability (Cronbach’s alpha) values were greater than 0.70 and ranged from 0.934 to 0.940.

**5.3 Convergent Validity**

In this study, the factor loading for the items are more than 0.50 and are acceptable if the study sample is more than 200 respondents (Hair 2013, p. 128). This, in turn, is sufficient evidence of convergent validity. Therefore, all indicators in the present study are related to their particular constructs, and thus there is satisfactory proof of the convergent validity of the model.

Factor loading analysis is shown in Table 2, and all loading is more than 0.70 and ranged from 0.717 and 0.859. According to Hair, Risher, Sarstedt and Ringle (2019), convergent validity is confirmed in Smart-PLS when items load highly (greater than 0.70 or 0.60 in exploratory research). As per Hair et al. (2013), outer loading above 0.60 is considered significant. In order to achieve adequate convergent validity, Chin (1980) recommended that the AVE of each latent construct should be 0.50 or more.

**Table 2.** Items loading, Cronbach’s alpha and Composite Reliability

Variables	Code	Loading	Cronbach’s alpha	CR
<b>Transformational Leadership</b>	TL1	0.789	0.940	0.948
	TL2	0.781		
	TL3	0.766		
	TL4	0.778		
	TL8	0.777		
	TL9	0.810		
	TL10	0.794		
	TL11	0.783		
	TL15	0.770		
	TL16	0.796		
<b>Psychological Empowerment</b>	PE1	0.789	0.937	0.945
	PE2	0.793		
	PE3	0.808		
	PE4	0.775		
	PE5	0.717		
	PE6	0.764		
	PE7	0.781		
	PE8	0.785		
	PE9	0.731		

	PE10 PE11 PE12	0.773 0.755 0.753		
<b>Project Success</b>	PS1 PS2 PS3 PS4 PS5 PS6 PS7 PS8 PS9 PS10 PS11 PS12	0.718 0.815 0.747 0.734 0.724 0.757 0.801 0.758 0.859 0.736 0.763 0.747	0.934	0.944

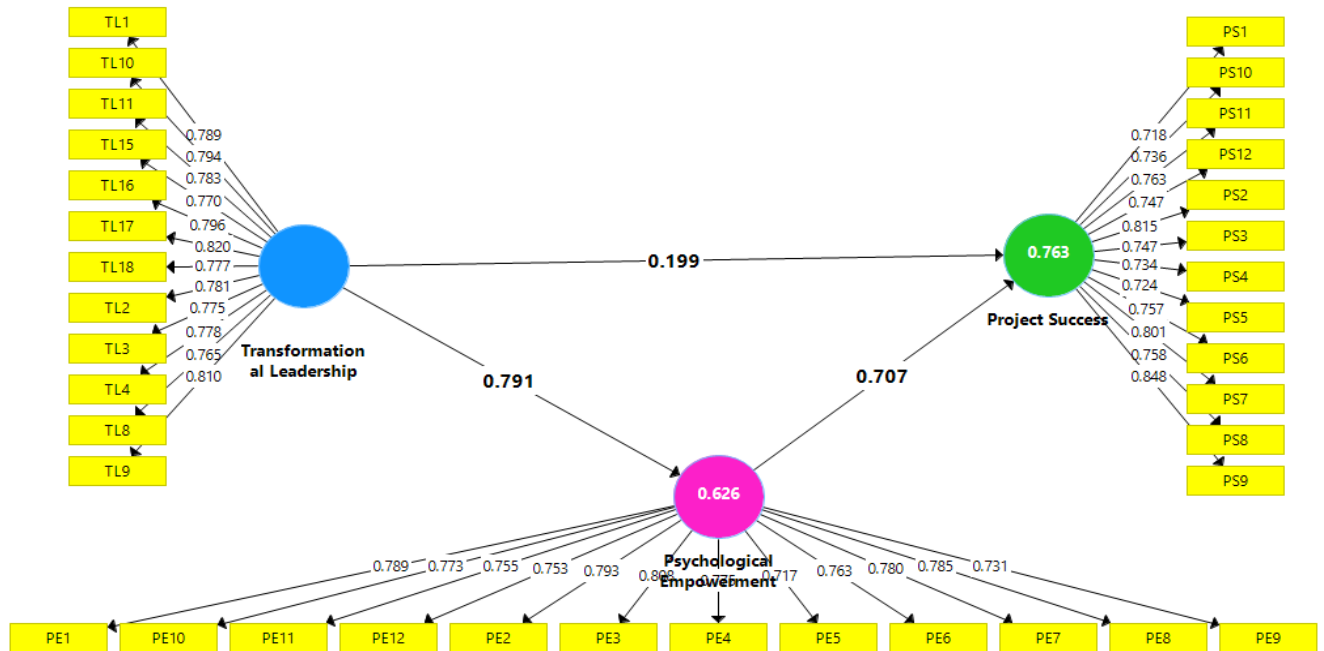


Figure 2: Measurement Model/ Outer Model

5.4 Discriminant validity

Discriminant validity was indicated as the AVE values are more than the squared correlations for each set of constructs. In addition, the square root of the AVE for a given construct was greater than the absolute value of the correlation square of the given construct with any other factor (AVE > correlation square). Table 3 shows the square root of the AVE for all constructs greater than the correlations between the construct and other constructs in the model.

In this study, AVE values were more than 0.50 and ranged between 0.604 and 0.591, suggesting acceptable values indicating an adequate convergent validity. Thus, the convergent validity was confirmed in the study (see Table 3). Discriminant validity gives the extent to which a construct is truly distinct from other constructs (Hair et al., 2010). Discriminant validity is evaluated by using Average Variance Extracted (AVE) for every construct that exceeds the squared correlation among other constructs (Fronell & Larcker, 1981).

Table 3. Discriminant Validity and AVE for Latent Variables

	AVE	TL	PE	PS
TL	0.604	0.787		

PE	0.591	0.759	0.763	
PS	0.582	0.781	0.755	0.769

5.5 Direct Hypotheses Results

The results indicate transformational leadership had a strongly significant and positive influence on psychological empowerment ( $\beta = 0.791$ ;  $t = 21.327$ ;  $P = 0.000$ ), therefore H1 is supported. This is followed by psychological empowerment which had a significant and positive effect on project success ( $\beta = 0.707$ ;  $t = 10.721$ ;  $P = 0.000$ ), thus H3 is supported. Furthermore, transformational leadership had a direct and significant and positive impact on project success ( $\beta = 0.199$ ;  $t = 2.853$ ;  $P = 0.000$ ), and therefore H2 is supported. Table 4 shows the direct hypothesis results of the structural model.

Table 4. Summary of Structural Model Assessment (Direct Hypotheses)

H	Independent Variables	Dependent Variables	Estimate(path coefficient)	SD	CR (t-value)	P-value	Hypothesis Result
H1	TL	PE	0.791	0.037	21.327	0.000	Supported
H2	TL	PS	0.199	0.070	2.853	0.004	Supported
H3	PE	PS	0.707	0.066	10.721	0.000	Supported

Source: Prepared by researcher using Smart PLS Version 3

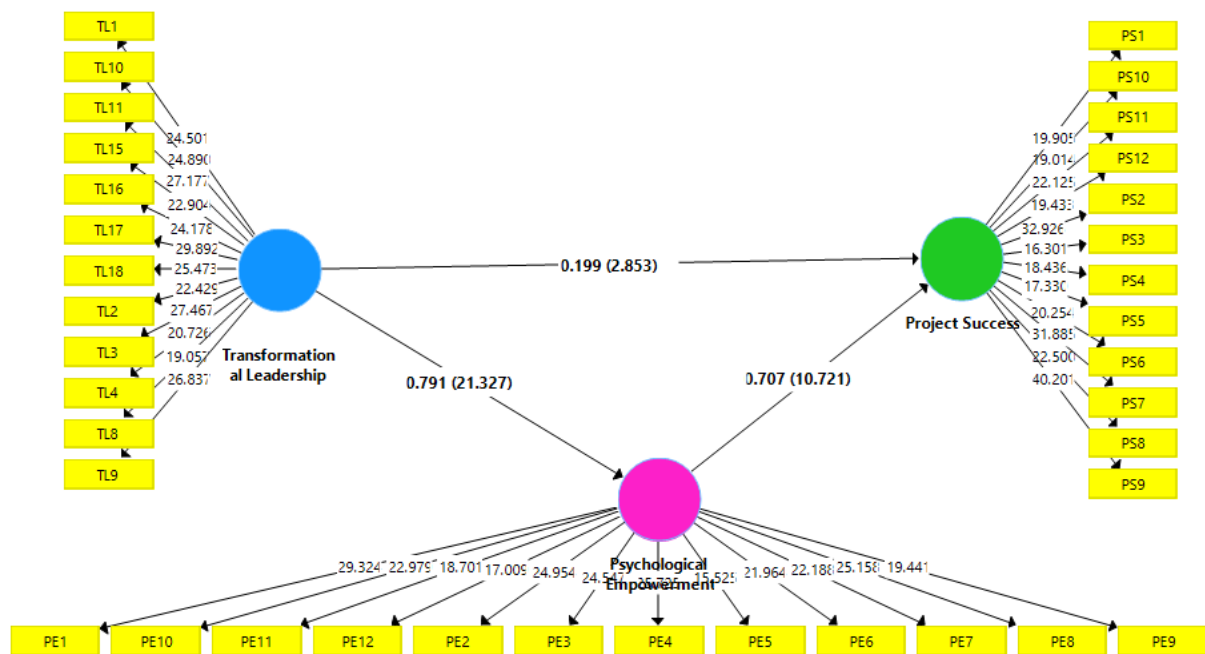


Figure 3 Structural Model with (Bootstrapping) (Hypotheses Results)

5.6 Test Mediating Effect (Indirect Hypotheses Result)

The findings show in Table 5 that psychological empowerment had a mediation on the relationship between transformational leadership and project success ( $\beta = 0.559$ ;  $t = 9.903$ ;  $p = 0.000$ ). Therefore, it can be concluded that hypothesis H4 is supported.

Table 5. Summary of Hypotheses Testing for the Indirect Effect (Mediating Result)

H	Relation	Original Sample ( $\beta$ )	(STDEV)	T-value	P-Value	Result
H4	TL -> PE-> PS	0.559**	0.056	9.903	0.000	Supported

\*\*Significant at Bootstrapping  $p < 0.01$ .

5.7 Discussion and Implications

The purpose of this research study was to examine the impact of psychological empowerment in the relationship between transformational leadership and project success, the conceptual model was tested by collecting data from 216 project members

The study's findings suggest that transformational leadership had a considerable positive



impact on psychological empowerment among project members in Saudi Arabia. Thus, hypothesis H1 is supported. The result is in agreement with those reported in earlier studies (Burns, 2012; Afsar et al., 2014; Allameh et al., 2012; Dust et al., 2014; Avolio, Zhu, & Koh, 2004; Li-Chaoping & Tian-Bao, 2006) which showed that transformational leadership is an important factor that affects psychological empowerment. Also, as stated by Spreitzer (2008), transformational leaders are particularly important promoters of employee empowerment due to their position in the organization.

The probable reason for this finding is because the project members believe that transformational leadership enabled employees to see meaning in their tasks, to create an environment of mutual trust, address their higher-level needs, motivated employees to work together for the good of the project and organization beyond their personal interests, and as a result, accomplish more than originally intended or expected of them. These benefits are in agreement with Bass' (1985) suggestion that leaders not only influenced the psychological empowerment of employees, but also their beliefs, values, needs, self-confidence, self-esteem and emotions.

Transformational leadership is conducive to the implementation of psychological empowerment, which in turn significantly brings about positive project outcomes. This implies that the positive effect of transformational leadership on project success will be strongest when the organizational context facilitates psychological empowerment. These results are in line with the impact of transformational leadership on employee performance. In other words, transformational leadership is characterized by its ability to create an effective behavior that increases self-efficacy in employees in order to achieve organizational performance (Soane et al., 2015).

Also, the findings revealed that the influence of psychological empowerment on project success was significant and positive. Thus, hypothesis H3 is supported. These results concur with previous studies indicating that psychological empowerment plays an important role in project success and consistent with the findings reported in previous studies (Krishnan, 2012; Chiang & Hsieh, 2012; Pech, 2009; Burns, 2012).

The study's findings show that psychological empowerment had a mediation influence on the relationship between transformational leadership and project success. Therefore, the main indirect hypothesis (H4) is supported. The result is consistent with the findings reported in previous studies (Burns, 2012; Li-Chaoping & Tian-Bao, 2006; Bass, 2006; Lan & Chong, 2014; Chong, 2015).

Transformational leadership and psychological empowerment are the two essential ingredients that have tangible policy implications to address project success. Project-based organizations would derive immense value from increased knowledge and understanding about the factors that influence project success. This study has "demonstrated that within the context of project management, transformational leadership has both direct and indirect influences on project success. Furthermore, the findings showed that psychological empowerment as a critical project success factor plays a mediating role in the relationship between transformational leadership factors and project success. Thus, project-oriented organizations need to promote a transformational leadership style among project managers, e.g. through selection and leadership training programs, that was also recommended by previous empirical studies."

The study is a first attempt to determine and identify the "mediating role of psychological empowerment in the relationship between transformational leadership and project success among project members in Saudi Arabia. Thus, it is contributing to existing efforts toward understanding how transformational leadership influences psychological empowerment and project success. This finding suggests that project managers who display transformational leadership are more likely to create psychological empowerment in a project environment that will help them to realize project success. These practices include project goal-setting, interpersonal relations, role-clarification, and problem-solving skills, which together motivates and empowers a project team toward" project success.

Another outcome of this study is that although there are significant differences between countries, the variance in project success is larger within countries than among countries (Denizer et al., 2013). This implies that the findings can likely be generalized beyond Saudi Arabia to other Gulf states. Since this is the first study to explicitly find a significant mediating role of psychological empowerment on the relationship between transformational leadership and project success, it is recommended and strongly encouraging researchers to further validate and extend this mode by exploring the dimensions of psychological empowerment in-depth and their impact on projectsuccess.

## 5.8 Conclusion

This paper has examined the impact of psychological empowerment on the relationship between transformational leadership and project success, the findings provide a positive and supportive impact that will lead and secure project success. Results suggest the psychological empowerment was perceived to benefit the project management and ultimately contribute in delivering high-performance levels. Results also highlight

organizational culture of empowerment as a key variable and underline the need for a pre-intervention.

The results of the study concluded that transformational leadership has a significant and positive effect on psychological empowerment and project success. It was also found that psychological empowerment had a significant and positive effect on project success. The results showed that when psychological empowerment elements are being used and implemented properly, the probability for projects to be successful is noticeably higher. This finding is in line with previous research that shows there is a positive relation between psychological empowerment and project success (Klein et al., 2009).

Research findings suggest that project management should try to initiate certain policies and practices that could introduce psychological empowerment to positively influence employees' attitudes and thus, minimize the potential negative impact that regularly result in project failure. The paper provides an additional step towards understanding the concept of psychological empowerment and encouraging project leader within the context of project management to consider it for potential results.

Finally, project leaders in positions require to consider the awareness of psychological empowerment to be part of project management skills. It is a soft skill that is required to be developed and adopted; it is important for motivating and empowering project resources in order to attain their best performance and secure best outcome levels and deliverables. This would ultimately result in securing project success and support the approach for eliminating possible situations that may lead to potential project losses and failures.

### **5.9 Limitation and Future Research**

As this particular study is within the context of project management, several limitations were seen. First, the difficulty in accessing the project details and information that would help in evaluating to draw better conclusions about project performance, project managers are not permitting the access, claiming it is confidential. Second, the history record for completed projects and lesson learned kept available at the library were focusing on project technical issues and do not provide adequate details about the behaviors of project leaders and their impact on progress and performance, this would have been a very helpful to support the study, these limitations must be considered by researchers in future.

Furthermore, it is recommended for future research to study the impact of structural empowerment on the relationship between transformational leadership and project success for developing an integrated model that will include transformational leadership and empowerment (Psychological and structural) for supporting project management and ultimately securing project success.

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