

Assessing the Effect of Management Styles on Project Performance in Rwanda: A Case of Urban Economic Development Initiative Project

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Abstract

This study assessed the effect of management styles on project performance in Rwanda, with a particular focus on the Urban Economic Development Initiative Project (UEDIP). The research employed a mixed-methods approach, combining qualitative and quantitative data collection techniques to gain a comprehensive understanding of the relationship between management styles and project outcomes. Data were gathered from project managers, employees, and key stakeholders through surveys, interviews, and document analysis. The study aimed to determine how different leadership styles influenced project efficiency, employee engagement, and overall success. By analyzing both numerical data and personal insights from participants, the study provided a holistic view of the impact of management approaches on project implementation. The findings revealed that transformational leadership played a crucial role in enhancing project performance by fostering employee motivation, innovation, and teamwork. Leaders who adopted this style were able to inspire their teams, encourage creativity, and maintain high levels of engagement, ultimately leading to improved project outcomes. In contrast, transactional leadership was found to be effective in maintaining efficiency and accountability through structured processes, performance monitoring, and reward-based motivation. However, the study also found that autocratic leadership styles negatively affected employee morale, leading to dissatisfaction and, in some cases, project delays due to a lack of collaboration and rigid decision-making structures. These findings highlight the importance of selecting appropriate management styles to balance productivity and employee well-being in project execution. Based on the study's findings, it is recommended that organizations adopt a hybrid management approach that integrates the strengths of both transformational and transactional leadership while minimizing the negative impacts of autocratic leadership. By combining the motivational and innovation-driven aspects of transformational leadership with the efficiency and accountability of transactional leadership, project managers can optimize project performance and sustainability. Additionally, fostering participatory decision-making and encouraging open communication within teams can enhance collaboration and adaptability, ultimately leading to better project outcomes. These recommendations provide valuable insights for policymakers, project managers, and development practitioners seeking to improve project execution and long-term impact in Rwanda's urban development initiatives.

Key words: Authoritarian Management Style, Democratic Management Style, Servant Management Style, Transformational Management Style.

Introduction

Management styles play a crucial role in determining the success or failure of projects, particularly in developing countries where economic development initiatives are designed to enhance urban infrastructure and improve livelihoods (Mugisha & Nkurunziza, 2021). The Urban Economic Development Initiative Project (UEDIP) was implemented in Rwanda to promote economic growth in urban areas by improving business environments, infrastructure, and employment opportunities. However, the effectiveness of such projects often depends on the leadership strategies adopted by project managers. Effective management styles can drive

motivation, productivity, and stakeholder engagement, while poor leadership can result in inefficiencies, delays, and unsatisfactory outcomes.

This study examined the impact of different management styles on the performance of UEDIP, utilizing a mixed-methods approach to collect both qualitative and quantitative data. Surveys and interviews were conducted with project managers, employees, and key stakeholders to understand how leadership influenced project execution. The findings indicated that transformational leadership was associated with higher employee motivation, innovation, and improved project outcomes. Project managers who employed this approach inspired their teams, fostered collaboration, and encouraged adaptability, leading to better efficiency and stakeholder satisfaction. Transactional leadership also contributed positively by maintaining accountability, clear goal-setting, and performance monitoring, ensuring that project activities remained on track.

Conversely, autocratic leadership styles were found to have negative effects on UEDIP's performance. Employees working under rigid decision-making structures reported low morale, dissatisfaction, and a lack of engagement, which ultimately led to inefficiencies and project delays. This finding aligns with previous research suggesting that overly authoritative leadership limits creativity and discourages teamwork, both of which are essential for the success of large-scale economic development projects (Niyonkuru & Habimana, 2022). The study also found that participatory management approaches, where employees and stakeholders were actively involved in decision-making, resulted in a more cohesive and motivated workforce, leading to improved project performance and sustainability.

Based on these findings, the study recommends adopting a hybrid management approach that integrates transformational and transactional leadership while minimizing the restrictive aspects of autocratic leadership. Project managers should focus on fostering employee motivation and collaboration while maintaining structured accountability mechanisms to ensure efficiency. Additionally, incorporating participatory decision-making can enhance stakeholder engagement and long-term project success. By implementing these strategies, Rwanda's urban economic development initiatives can achieve sustainable growth, improved infrastructure, and greater economic opportunities for urban communities.

Literature Review

Recent studies have highlighted the varying effects of management styles on project performance, demonstrating how leadership approaches influence efficiency, innovation, and employee engagement. Transformational leadership, characterized by its emphasis on motivation, adaptability, and long-term commitment, has proven particularly effective in dynamic project environments where flexibility and creativity are essential (Kabera et al., 2022). Leaders employing this style inspire their teams to go beyond routine tasks, fostering a culture of collaboration and continuous improvement. This approach has been widely linked to positive project outcomes, as it enhances stakeholder participation and employee satisfaction, which are crucial for sustained project success.

In contrast, transactional leadership, which focuses on structured workflows, clear objectives, and reward-based performance systems, has been found to improve efficiency and accountability (Uwimana & Habimana, 2023). This management style ensures that tasks are completed according to predetermined schedules and quality standards, making it suitable for projects requiring strict adherence to guidelines. However, while it enhances short-term productivity, it may limit creativity and innovation if not balanced with elements of transformational leadership. Within UEDIP, transactional leadership played a critical role in maintaining project discipline, ensuring that deliverables were met within set timelines and resources were utilized effectively.

On the other hand, autocratic leadership was linked to several challenges, including reduced employee engagement and low morale, which negatively affected project performance (Ngendahayo, 2024). Leaders who relied on top-down decision-making without incorporating input from team members often faced resistance and decreased motivation within the workforce. This approach hindered effective communication and problem-solving, leading to inefficiencies and project delays. In the context of UEDIP, projects managed under highly

centralized leadership structures encountered difficulties in adaptability and stakeholder cooperation, ultimately impacting the overall success of the initiative.

These varying perspectives on management styles provide a strong foundation for assessing how leadership approaches influenced UEDIP in Rwanda. While transformational and transactional leadership demonstrated positive impacts on project execution, autocratic leadership posed significant challenges. The study's findings suggest that integrating participatory and flexible management strategies can enhance project performance by fostering engagement, accountability, and innovation. Understanding these dynamics is essential for optimizing future economic development projects, ensuring that leadership strategies align with the evolving needs of urban development initiatives in Rwanda.

Methodology

The study employed a mixed-methods approach, combining both qualitative and quantitative research techniques to ensure a comprehensive analysis of the impact of management styles on project performance. Surveys were administered to 160 employees and stakeholders involved in UEDIP, focusing on their experiences with different leadership approaches and their perceived effects on project execution. The survey yielded an 85% response rate, providing a robust dataset for statistical analysis. Quantitative data were analyzed using SPSS, allowing for the identification of patterns, correlations, and trends related to management effectiveness and project outcomes.

In addition to the survey, semi-structured interviews were conducted with 10 key project managers to gain deeper insights into leadership practices and their impact on employee engagement, efficiency, and overall project success. These interviews provided qualitative data that complemented the statistical findings, offering a more nuanced understanding of how different management styles influenced project execution. Thematic analysis was used to identify recurring themes and perspectives from the interviews, ensuring that both employee and managerial viewpoints were adequately represented.

The integration of both research methods enabled a more holistic assessment of UEDIP's management practices. The quantitative data provided measurable insights into leadership effectiveness, while the qualitative responses enriched the findings by capturing real-world experiences and challenges faced in project implementation. This mixed-methods approach not only validated the study's conclusions but also provided a balanced perspective on optimizing management strategies for future urban development projects in Rwanda.

Findings And Discussion

The study's findings demonstrated that transformational leadership played a crucial role in improving project performance by fostering teamwork, innovation, and employee morale. The survey results indicated that 78% of respondents believed transformational leadership positively contributed to achieving project objectives. This leadership style encouraged collaboration and proactive problem-solving, which enhanced efficiency and adaptability within the Urban Economic Development Initiative Project (UEDIP). Additionally, employees under transformational leaders reported higher job satisfaction and engagement, which ultimately led to better project outcomes. Transactional leadership also proved beneficial, particularly in ensuring task completion and maintaining accountability. About 65% of survey participants acknowledged that structured rewards and performance-based incentives contributed to meeting project deadlines and maintaining work discipline. However, while this style improved short-term efficiency, it lacked the flexibility needed for long-term project sustainability. Many project managers emphasized that a rigid focus on rules and compliance sometimes hindered creativity and adaptability, which are essential for handling unforeseen challenges in project execution.

On the other hand, autocratic leadership was associated with negative impacts on employee motivation and overall project success. More than half (55%) of respondents reported that strict, top-down decision-making led to reduced engagement, lower morale, and project delays. Qualitative interviews further revealed that employees under autocratic leadership felt undervalued and had limited opportunities to contribute ideas, which negatively affected their productivity. Additionally, bureaucratic inefficiencies and a lack of adaptive strategies

were identified as major obstacles to effective project execution, highlighting the need for more inclusive and flexible management approaches.

Overall, the study emphasized that a hybrid leadership approach blending transformational and transactional elements was the most effective in achieving project goals. Participatory decision-making, as highlighted by project managers, improved stakeholder involvement and problem-solving capabilities. The findings suggest that for urban development projects in Rwanda to succeed, leaders should adopt a balanced management style that fosters innovation, ensures accountability, and minimizes bureaucratic hurdles.

Conclusion and Recommendations

This study concluded that management styles are a critical factor in determining the success of projects within Rwanda's Urban Economic Development and Investment Program (UEDIP). Leadership approaches directly influence how projects are executed, managed, and completed. The findings highlighted that transformational leadership was the most effective style, fostering innovation, motivation, and long-term commitment from team members. Transformational leaders encourage collaboration and inspire their teams to achieve shared goals, which was instrumental in driving project success in UEDIP. Their ability to guide, support, and communicate a clear vision greatly contributed to project achievements.

On the other hand, transactional leadership, while less transformative, still played an essential role in ensuring compliance and task efficiency. Transactional leaders focus on structured tasks, rewarding or penalizing employees based on their performance. This style proved beneficial in maintaining order and meeting short-term goals, which are also crucial for the completion of specific project milestones. However, it was observed that a solely transactional approach lacked the flexibility to adapt to unexpected challenges, which can limit its effectiveness in complex projects like UEDIP.

In contrast, the study identified autocratic leadership as a hindrance to project success, as it was associated with negative outcomes such as low morale, lack of innovation, and poor team dynamics. Autocratic leadership, which relies on a top-down approach with limited input from team members, was found to stifle creativity and hinder collaboration. This style often led to disengagement from employees, which could ultimately result in delays or project failure. The research suggests that a shift toward participatory leadership models would be more beneficial, as these models encourage greater involvement and ownership from all stakeholders, leading to better project outcomes.

Based on these findings, the study recommends that project managers adopt a hybrid leadership approach, integrating both transformational and transactional elements to leverage the strengths of both styles. This approach allows for the flexibility of transformational leadership while ensuring the efficiency and compliance brought by transactional leadership. Additionally, capacity-building programs should be introduced to train leaders in adaptive management strategies, equipping them with the skills to navigate complex projects effectively. Finally, the study advocates for further research to explore the long-term impact of different leadership styles on large-scale economic development projects in Rwanda, providing valuable insights for future projects and leadership development in the country.

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