The Impact of Critical Success Factors on Project Success in the NGOs Sector in Malaysia

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ABSTRACT

This paper highlights the need to examine the role of project managers' personalities in project success. Previous studies have primarily utilized the Big Five personality traits and the Myers-Briggs Type Indicator. However, the trait approach to personality measurement has gained prominence due to its greater reliability. Surprisingly, the dispositional inclinations of project managers have not received adequate attention in project management literature, despite the crucial role of personality-job fit and the high failure rates of projects. To contribute to the existing body of knowledge, this study focuses on the non-governmental organizations (NGOs) sector, which plays a vital role in national development. Many organizations, including NGOs, rely on project-based frameworks for their operations. However, due to limited resources, NGOs often face challenges in investing in the training and development of their project-based staff. Hence, it becomes crucial for NGOs to recruit individuals whose personalities align with the demands of their work. This research aims to use the Big Five personality traits to predict project success, particularly through transformational leadership. By examining the personalities of key leaders in the NGO sector, this study intends to fill the gap in knowledge regarding the relationship between personality, leadership styles, and project success. The development theory of leadership, servant leadership, and the project success theory are used to investigate what factors are related to the NGOs projects' success in Malaysia. Ultimately, this research can provide valuable insights for NGOs and organizations operating in project-based structures to enhance their project outcomes.

Keywords: Critical Success Factors, Project Success, NGO Sector.

1. INTRODUCTION

In recent years, the trait approach to personality has gained prominence over the type taxonomy due to scoring challenges (Prabhakar, 2008). The literature on project management has not adequately addressed the role of dispositional inclinations of project managers in project-based organizations, despite the crucial role of personality-job fit in ensuring project success. The qualities, performance levels, and leadership styles of project managers have been found to contribute to the success of different types of projects at various stages. Previous research has explored the connection between the psychological characteristics of corporate leaders and organizational success, as well as the influence of leaders' personality traits on project success with the mediating

effect of leadership styles. Therefore, it is important to conduct in-depth research to determine whether the Big Five personality traits serve as predictors of project success and how different leadership styles mediate the relationship between personality traits and project outcomes (Bakker, 2010).

This study will focus on the non-governmental organizations (NGOs) sector, which plays a vital role in national development. Many organizations, including NGOs, heavily rely on project-based frameworks for their day-to-day operations (Flyvbjerg et al., 2009; Jugdev & Müller, 2005; Mantel et al., 2011; Zwikael & Smyrk, 2012). Due to limited resources, NGOs often face challenges in training and developing their project-based staff, making it crucial to hire individuals whose personalities align with the work. However, the qualities of project managers, particularly their leadership skills, have not been adequately investigated in the context of NGOs (Rodney Turner et al., 2009). This is a significant gap considering the increasing number of project-based organizations in Pakistan and the importance of the NGO sector in the country's economy and employment. The rise in project-based organizations can be attributed to the trust donors and agencies place in NGOs, leading to direct funding.

2. BACKGROUND OF THE STUDY

NGOs, being in close proximity to the communities they serve, play a significant role in grassroots operations. The concept of civil society has gained prominence in recent years due to its perceived importance in governance quality, public participation, and sustainable democracy, making it a common topic in political and development discussions. The increasing number of NGOs contributes to the growth of civil society by advocating for reforms and providing support. They also mobilize and organize marginalized social groups, complementing traditional democratic institutions. Malaysia serves as an example of a country with diverse ethnic, religious, and cultural backgrounds, highlighting the interaction and diverse perspectives within civil society. However, since Malaysia's independence, uncertainties in implementing democracy have arisen, influenced by characteristics such as the diverse population and the tendency for political issues to turn into communalism. The Malaysian government follows a parliamentary system based on the Westminster model, including periodic elections, separation of powers among the executive, legislative, and judicial branches, and the Federal Constitution aimed at balancing the interests of diverse groups. The Constitution has undergone revisions since its initial drafting and includes provisions to protect basic rights such as freedom of speech, religion, movement, and organization. However, these rights are subject to the Constitution and other laws rather than being absolute guarantees.

Organizations are constantly involved in the process of generating new projects and working towards their implementation. Project-based work is prevalent in non-governmental organizations (NGOs), and it is crucial for them to understand the various factors involved in project execution and assess the potential for success. The Project Management Institute (PMI) defines a project as a temporary endeavor where individuals collaborate to create a unique product or service within a specified timeframe, budget, and scope (PMI, 2021). The success of a project is often determined based on meeting these criteria of time, budget, and deliverables. Proper planning, as highlighted by research conducted by (Frese & Sauter, 2003) is essential for project accomplishment. This involves comprehensive planning of implementation phases, task timelines, contingency plans, and re-planning. Merely relying on initial planning is insufficient as projects can veer off course or encounter unexpected challenges. When project managers are not prepared to adapt or have not considered alternative plans, projects often experience delays and ultimately fail. It is important to recognize that project management is not a linear process and requires continuous reassessment to respond to the dynamic environment. Insufficient upfront investment in planning and preparation can lead to difficulties in accurately determining project scope.

3. RESEARCH PROBLEM

The existing literature review conducted in the past five years reveals a gap in studies that adequately consider the crucial factors contributing to project success in Malaysian non-governmental organizations (NGOs). From the perspective of the researcher, these factors are referred to as PM (Project Management), TM (Team Management), PO (Project Objectives), CO (Communication), and FR (Funding Resources). Insufficient awareness and attention have been given to these critical factors within the management of NGOs in Malaysia, as highlighted in the literature review.

4. RESEARCH OBJECTIVES

1. To explore the impact of Project Mission (PM) on Project Success (PS).
2. To explore the impact of Teamwork (TW) on Project Success (PS).
3. To explore the impact of Planning and Organizing (PO) on Project Success (PS).

5. RESEARCH QUESTIONS

1. What is the impact of Project Mission (PM) on Project Success (PS)?
2. What is the impact of Teamwork (TW) on Project Success (PS)?
3. What is the impact of Planning and Organizing (PO) on Project Success (PS)?

6. POTENTIAL CONTRIBUTION

The potential contribution of this research lies in the development of a critical success factor paradigm that includes youthful leadership as a mediator between critical success factors and project success. This will add value to the existing literature on critical success factors for projects and benefit both project practitioners and organizations focusing on projects. Currently, there is a lack of a specific framework addressing critical success factors for projects, particularly within non-governmental organizations and project management.

A significant enhancement provided by this research is the integration of leadership styles as a mediator, expanding on the work of (Pinto & Slevin, 1987) who previously developed various critical success factor frameworks. Understanding the leadership factors that contribute to project success is crucial. Research by (Dulewicz & Higgs, 2005) indicates that project managers with a solid understanding of leadership have a higher likelihood of guiding projects to successful outcomes. Surprisingly, leadership was not identified as a critical factor by (Pinto & Slevin, 987), emphasizing the need to explore the impact of the project manager's leadership style and competence on project success, as emphasized by (Turner & Müller, 2005).

The anticipated findings of this study will contribute to the existing knowledge on project critical success factors and benefit all stakeholders involved. The research will extend previous studies by incorporating youth leadership as a mediator, beyond the recognized critical success factors. It will also synthesize past research findings to identify the most suitable leadership styles for ensuring project success, taking a comprehensive approach. Ultimately, the study will result in an updated critical success factor framework that can be utilized by project professionals and organizations to enhance project delivery.

7. LITERATURE REVIEW

In this section, two theories were reviewed for the validation of the variable selection and the theoretical literature:-
The concept of success factors was first coined by Ronald (Daniel, 1961). Later on, several researchers tried to enhance and refine the concept, as the works of John F. (Rockart, 1979; 1981). The idea of servant leadership is centered on the desire to lead others without regard for one's own personal interests as the leader of the organization. This need is at the heart of the idea that is referred to as "servanthood". According to Rachmawati and Lantu (2014), the general consensus is that Robert Greenleaf was the first person to put up the concept of servant leadership. This is supported by the fact that Greenleaf is credited in the aforementioned publication. Greenleaf described servant leadership as one in which servicing the needs of others is prioritized above one's own responsibilities as a leader. Greenleaf is credited with developing the concept of servant leadership as a direct result of the actions that he performed in this regard, which led to the development of the concept of servant leadership.

According to (Linden & Fertman's, 1999) development theory of leadership, every teenager has leadership to some degree and exhibits their leadership talents in subtle ways throughout their home life, school activities, and contacts with neighbors in their communities. This is true whether or not the adolescent is aware of their leadership qualities. The idea that every teenager has some degree of leadership derives from the fact had the opinion that every adolescent does. This perspective derives from the study that was carried out by (Linden & Fertman's, 1999), who came to the conclusion that every adolescent had some degree of aptitude for leadership. According to (Ricketts & Rudd's, 2002) theory, the development of young leaders may be broken down into five different categories. The following are the areas that fall under this rubric: (1) "leadership knowledge and information"; (2) "leadership attitude, will, and desire"; (3) "communication skills"; (4) "decision-making abilities"; and (5) "stress management skills." These five characteristics, which may be used as indicators of adolescent leadership potential, were developed by the authors of the aforementioned study and cover the cognitive, emotional, and behavioral aspects of youth leadership development (Linden & Fertman's, 1999).

Transformational Leadership strives to create a high-performance environment by motivating followers to look beyond themselves and to act in ways that help the organization succeed (Halaychik, 2016).
There are several theories outlining leadership related to performance, including the theory of "Great Man", Trait Theory, Contingency Theory, Situational Theory, Behavioral Theory, Participative Theory, Transactional/Management Theory, Relationship Transformational Theory, and Skills Theory. (Bass, 1994). These theories are widely accepted and used by previous research in this area. It is important to highlight the influence of the Project manager's leadership going on the Project. (Raziq et al., 2018).

The researcher has analyzed over 200 recent studies describing. The critical success factors that have been widely addressed in several studies for the Malaysian case that affected the project success, with leadership participation, and how this mediating variable could create an influence on the critical success factors.

8. METHODOLOGY

The research model for this study is tested using "Smart PLS 3.3". Based on the "two-stage analytical procedures" suggested by (Anderson & Gerbing, 1988), this study examined "the measurement model (validity and reliability of the measures) and the structural model (testing the hypothesized relationships).

This study used a quantitative data collection method and a fieldwork survey to examine the influence of youthful leadership participation on the relation between critical success factors and project success. on the: EVIDENCE FROM NGO SECTOR IN SELANGOR.

400 respondents had completed fully the questionnaire.

Respondents were selected at random using a systematic and structural basis.

For this quantitative study, a questionnaire was adopted from other researchers to collect the data to meet the objectives of the study.

9. THEORETICAL IMPLICATIONS OF THE FINDINGS

One of the most important theoretical implications that it will enrich the body of literature with a holistic study dedicated to the Malaysian NGOs sector to firmly conceptualize what are the variables that affect Ngo's project success, which many studies were limited and did not include this aspect.

This study was well structured to bridge this gap and overcome the problem caused by this gap theoretically. In addition, including Youth Leadership Participation in the study as a mediating effect has drawn a new theoretical discipline, by highlighting how this variable could be integrated into the underpinning theories of the current topic, like Critical Success Factors (CSFs) and Transformational Theory, as well as other theories like Trait Theory, Behavioral Theory, Contingency Theory, and Transactional Theory.

10. MANAGERIAL IMPLICATIONS OF THE FINDINGS

The research suggests that young leaders' participation should be considered in the discussion of the project's success. The youth are an essential part of NGO projects in Malaysia.

This study suggested that the youth is an essential part of the NGO projects in Malaysia when they are engaged in the work.

This study emphasizes the importance of critical success factors, namely; Project Mission, Teamwork, Planning and Organizing, Communication, and Fundraising in the project's success in Malaysia.

11. RECOMMENDATIONS

Focusing on NGOs outside Selangor and Kuala Lumpur (especially in less developed states) as a case study with systematic selection would generate different types of results on the factors that affect Ngo's project success.

Studying a larger sample size may return with more options in the analysis and results.

Following the mixed methods (i.e., including the interviewing) as a methodology for future studies would spot the light on the Project success of the NGOs and opinions that are worthy of study.

In this study, fundraising was considered as an independent variable while a good sum of studies considered studying fundraising as a factor of the financial success of the NGO projects, it is recommended that future studies may consider fundraising as part of holistic financial study and associate it with Project success.

Redoing the same study but with other independent variables would come back with different determinants of the NGOs project's success in Malaysia.

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