

(01-021) - LEADERSHIP EMPOWERMENT IN PROJECT ORGANISATION TO COMBAT CORRUPTION

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The prominent role of leadership in determining organisational success is undeniable. Good leaders will have great influence on the fate of organisations. Leadership is core to successful business outcomes and prevails as crucial in any group tasks. Construction industry is reported to be prone to corruption due its nature of many different phases involving numerous parties. That makes it exposes to such malpractices. Despite many efforts from the Government of Malaysia to combate corruptions, the reported cases are on the rise. Thus, the public is losing confidence on the effectiveness of the various policies by the Government on combating corruption. More need to be done to effectively combat such bad practices such as strengthening the role leadership since it is good leadership that dictates the success or failure of organisations. This paper explores the impact of leadership empowerment in government projects team organisation in Malaysia in combating corruption. This study is limited to the Public Works Department of Malaysia (PWD) as the main technical agency for the implementation of government projects in Malaysia. The methodology employs questionnaire survey that was disseminated online to respondents from PWD. The main findings were leadership empowerment could enhance the integrity thus could combat corruption.

Keywords: "Leadership" ; "Project Organisation"; "Corruption"

EMPODERAMIENTO DEL LIDERAZGO EN LA ORGANIZACIÓN DE PROYECTOS PARA COMBATIR LA CORRUPCIÓN

El papel destacado del liderazgo a la hora de determinar el éxito organizacional es innegable. Los buenos líderes tendrán una gran influencia en el destino de las organizaciones. El liderazgo es fundamental para obtener resultados comerciales exitosos y prevalece como crucial en cualquier tarea grupal. Se informa que la industria de la construcción es propensa a la corrupción debido a su naturaleza de muchas fases. Eso lo expone a tales malas prácticas. A pesar de los muchos esfuerzos del Gobierno de Malasia para combatir la corrupción, los casos denunciados van en aumento. Es necesario hacer más para combatir eficazmente estas malas prácticas, como fortalecer el papel del liderazgo, ya que es el buen liderazgo el que dicta el éxito o el fracaso de las organizaciones. Este artículo explora el impacto del empoderamiento del liderazgo en la organización de equipos de proyectos gubernamentales en Malasia para combatir la corrupción. Este estudio se limita al Departamento de Obras Públicas de Malasia (PWD). La metodología emplea una encuesta por cuestionario que se difundió en línea entre los encuestados de personas con discapacidad. Los principales hallazgos fueron que el empoderamiento del liderazgo puede mejorar la integridad y, por lo tanto, puede combatir la corrupción.

Palabras clave: "Liderazgo" ; "Organización del Proyecto"; "Corrupción"

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1. Introduction

Construction industry is reported to be one of the sectors that is prone to corruption due its nature of many different phases involving numerous inputs and parties as well as long period of progress and development before completion (Rumaizah et. al, 2019; Yap et. al, 2022). That makes it exposes to such malpractices. Despite many efforts and measures from the Government of Malaysia to combate corruptions, the reported cases of corruptions are on the rise (Jones, 2022). This includes cases in public construction projects such as its procurement and construction (Alam et. al, 2018). Thus, the public confidence on the effectiveness of the various policies by the Government such as National Integrity Plan (NIP) and recently National Anti-Corruption Plan (NACP) 2019-2023 on combating corruption is weakening. Recent report shows that Malaysia's score in the Transparency International Malaysia (TI-Malaysia) Corruption Perceptions Index (CPI) 2022 has dropped for the third year in a row, scoring 47 of 100 points in the index. From one perspective, this indicates that enforcement and external based awareness campaign alone will not be able to effectively combat such bad practices without strengthening the role of leader and leadership that building internal coherent in every entity from small units to large organisations. This is true since it is good leadership that dictates the success of failure of organisations that is greatly emphasised in both conventional and Islamic perspective of leadership (Muhamad Rosdi, 2019; Hanafiah et. al, 2020; Ghanem, 2022).

Corruption index recently by Transparency International – Malaysia is worsening, despite much effort by the Government and its agencies such as Malaysian Anti-Corruption Commission (MACC), policies to combating corruption introduced such as NACP 2019 - 2023, PIN (Plan Integriti Nasional or National Integrity Plan), double effort to arrest offenders and bring them to court through enforcement not only MACC, but MACC collaborating with other agencies that have many vulnerability to corruption cases from the past experience for example Custom Department, Immigration Department and The Royal Police. This has made some major highlights in recent local media coverages in Malaysia. However it seems that the more they fight, the more reports on the increasing numbers of such cases and more are committing corruption.

As stated earlier, Construction Industry is prone to corruption. Literature reveals the causes of corruption in construction, among others are leadership related factors and low level of integrity or when there is lacking or an absence of integrity in individuals (Kroukamp 2014; Owusu et. al, 2017; Gomma, 2018; Rumaizah et. al, 2019; Latif et. al, 2020; Nguyen, 2022; Yap et. al, 2022). This means that leadership has been identified as a mechanism to combat corruption. Thus, this is where leadership can play the role.

Integrity is associated with individuals possessing noble qualities, characteristics such as trustworthy, truthful, honesty, promisekeeping, responsibility, accountability, clean, transparent in executing tasks, completeness, perfection (Fatimah Abdullah, 2014; Wan Jemizan dan Khuzama, 2014; Shuhari et. al, 2018) and beyond that from an Islamic perspective there are more intangible as well as unmeasurable, unforeseen value of 'sincerity' (Ikhlas - إخلاص) in a person is always greatly emphasised in all affairs of life including when worshipping (ibadah) is contributing towards integrity too. Perhaps, all these qualities are best represented and can be summarised as Integrity is doing the right things in all circumstances or in everything as suggested by Hanafiah et. al (2020). Interestingly, these good characteristics have long been prominently promoted by leadership from both conventional and Islamic perspective. Therefore, promoting leadership is also promoting integrity and vice versa. From one dimension, sincerity in doing something or works or anything as long as it is not against the religion or law, will result in perfection since a man

with sincerity will strive to its best ability even without others watching it or without the presence of other individuals. This alone is capable of avoiding one from approaching what more or far from committing any wrongdoings.

Another example is in Islamic leadership, responsibility and accountability begin from each individual leading himself or herself before leading others, to do the right things and preventing those prohibited by the God as he or she is responsible and accountable for all actions (Muhamad Rosdi, 2019). It is an internally assured self-originated of integrity that demonstrates how combating corruption is already embedded through leadership.

Previous studies have also established the relationship between the integrity, leadership and level of corruption but there is lacking of the same studies conducted in project organisation. Furthermore, although the consequences of corruption is well known to be very damaging and destructive on people, government fund, system and the final product quality that it can happen at any stage of project phases, there is still lacking of research and attention on corruption in the project management and construction literature (Locatelli et. al, 2016; Rumaizah et. al, 2019; Yap et; al, 2022).

Leadership is acknowledged as one of the determinant factors in organisational fate and success including in construction and project management. Therefore it has many multifunction, multiroles and manyfolds that can be associated with combating corruption by giving it the proper and sufficient mandate. In this paper it is termed as 'empowerment'. Leadership is not only the drive for success in projects but through the practice, its quality or characteristics and the setting and positioning of clear organisational direction with effective policies, the level of integrity can be enhanced and uplifted thus reducing the likelihood of corruption occurrence.

This paper explores the potential that leadership empowerment in project organisation can have two (2) major impact or influence on the improving the integrity level. Firstly, enhancing behavioural of team members that is embedded in the exemplification of leadership qualities or characteristics and Secondly, by setting clearly in place good and effective policies or strategies that uplift the team to go against the corruption and alike or similar wrongdoings. Project management for public or government construction projects in Malaysia is best represented by the Public Works Department of Malaysia (PWD) as the main technical Department for implementing physical and infrastructure projects. In this respect, PWD has been for many decades leading other government agencies on technical guidelines for building, road, and maintenance projects, construction contracts and project management. Therefore, this study is limited to the PWD as the main technical Department of government projects in Malaysia.

2. Research Objectives

The main objective of this paper is to evaluate whether leadership empowerment in project based or project setting organisation can influence the efforts to combat corruption. This objective is originated from the Research Question; Can leadership empowerment enhances the level of integrity and reduces the likelihood of corruption occurrence in project organisation? Empowerment is defined as the process of becoming stronger, confident or prominent by giving some power or authority to someone to do something (Oxford University Press, 2022). Empowerment that is discussed in this paper is by giving leadership empowerment. To achieve this, three (3) Research Objectives have been formulated as follows:

- i. To identify the common leadership characteristics from literature review;

- ii. To evaluate the common leadership characteristics as whether or not can enhance the level of integrity and reduce the corruption in project organisation;
- iii. To propose strategies to empower leadership in relation to Research Objective ii ie. to combating corruption in project organisation.

3. Research Methodology

This research has adopted a quantitative approach and employed an online questionnaire survey for the data collection. The questionnaire was emailed to all the PWD technical staff as the potential respondents. From literature review, the common leadership characteristics has been identified that it became the main input for the design of the questionnaire. The questionnaire was piloted to two individuals from the internal organisation of the author and also to academia for feedbacks to improve the design of the questionnaire. There were multiple choices, ranking and open-ended type of questions in the survey. The first section of the questionnaire was on background of the respondents. In the second section, the respondents were asked to evaluate whether the listed leadership characteristics were essential for project organisation, whether it can enhance the level of integrity, subsequently can reduce the level and the possibility of corruption. In the NACP 2019-2023 document, it states that Public Procurement is amongst the Sectors Prone to Corruption: 2013-2018 based on data compiled from complaints received by MACC. In project management, Procurement is one of the project phases in government projects. That sector alone counted for 42% from all sectors. In response to this, there was one question asking respondents to rank from mostly corrupted to the least corrupted project phases amongst the five Project Phases from Planning, Design, Procurement, Construction and finally Completion and Handover. There was an open-ended question asking respondents to propose strategies to empower leadership in project organisation in relation to combating or fighting corruption and any other comments. The final part of the questionnaire was a general open-ended question for any comments, views or suggestions from respondents.

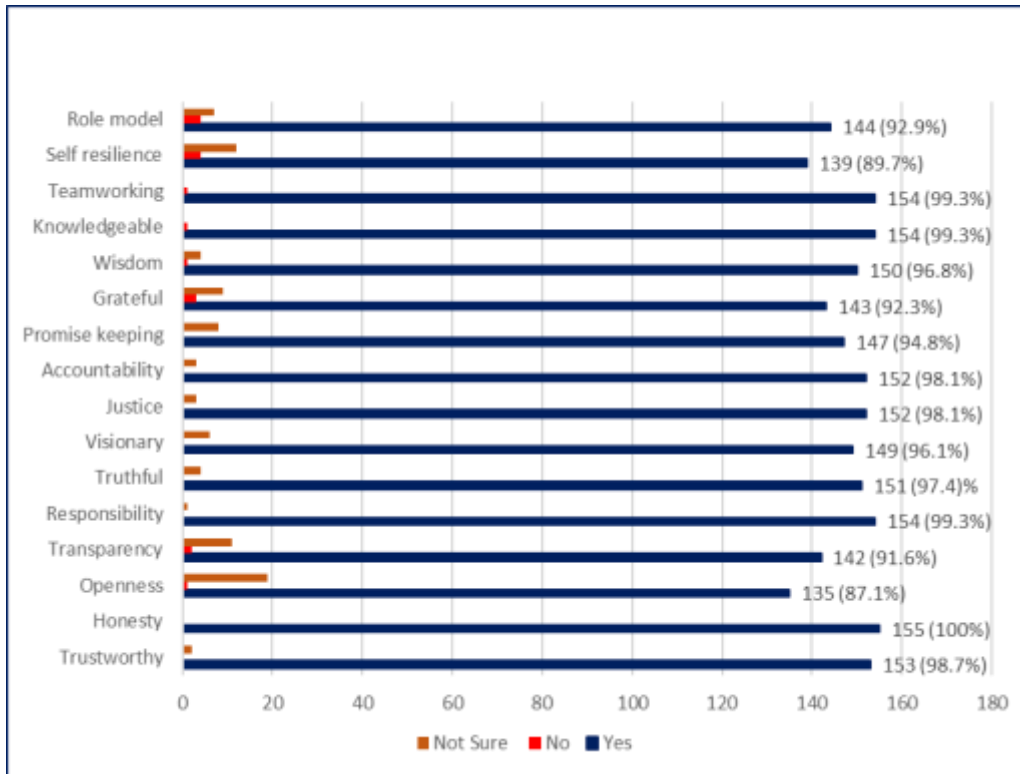
Leadership characteristics are discussed in conventional leadership and Islamic leadership literature. For the purpose of this paper, sixteen (16) common leadership characteristics have been synthesised and identified. The method of categorisation of bulk information in the literature to reduce numbers is based on common themes that were employed by several authors, for example, Khairuddin (1998) in identifying procurement strategies, Putri Nur Fara Nadia (2014) in her thesis on Takaful Insurance in the construction industry pertaining to method of assessing Contractors All Risks (CAR) claims. Indeed, thematic analysis is widely and commonly used qualitative analysis that involves identifying, developing and reporting patterns across a data set that leads to themes (Braun and Clarke, 2006; Thomas and Harden, 2007). The identified leadership characteristics are Trustworthy, Honesty, Openness, Transparency, Responsibility, Truthful, Visionary, Justice, Accountability, Promise keeping, Grateful, Wisdom, Knowledgeable, Teamworking, Self resilience and Role model. This fulfils the first Research Objective. Whereas, the second and third Research Objectives are achieved through the questionnaire.

4. Results and Findings

A total of 154 responses were received within two (2) weeks of response period after the online questionnaire survey was sent on 3rd April 2023. The respondents' background were all technical but from diversified disciplines that were Architecture, Civil Engineering, Mechanical Engineering, Electrical Engineering and Quantity Surveying at different grades, levels, positions and years of working experience in project management, engineering and

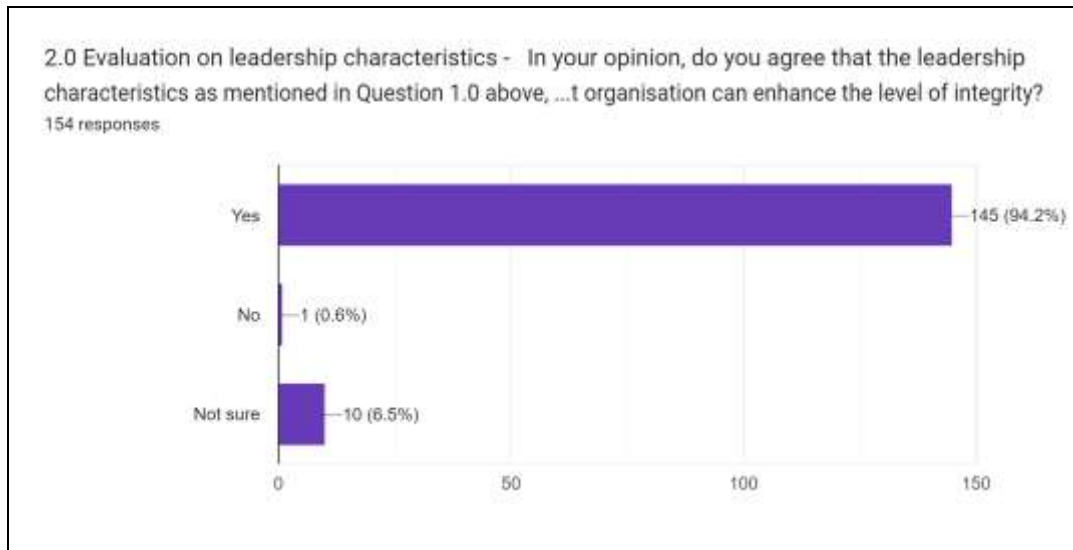
construction in infrastructure, building and road projects. They represented all technical professions in PWD.

Figure 1: Evaluation on Leadership Characteristics - Whether These Are Essential and Crucial to be Practiced in Project Organisation



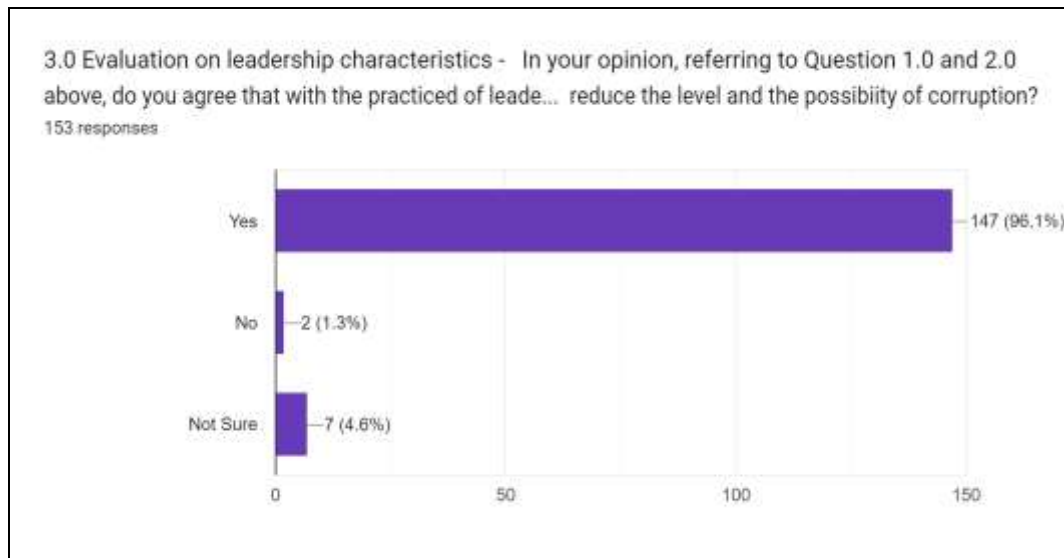
The results shows that the majority of respondents strongly agreed that the sixteen (16) leadership charateristics are essential and crucial to be practiced in project organisation with high percentage of agreement of more than 90.0% for all except for 'Self resilience' and 'Openness' that has 89.7% and 87.1% agreement respectively. It also indicates a strong support from respondents for leadership empowerment in project organisation.

Figure 2: Evaluation on Leadership Characteristics - Whether If Practiced and Put in Place in Project Organisation Can Enhance The Level of Integrity



Subsequently, on the next question pertaining to the level of integrity, respondents were asked the followings; 'In your opinion, do you agree that the leadership characteristics as mentioned in Question 1.0 above, if practiced and put in place in project organisation can enhance the level of integrity?' The results have shown that high agreement also was obtained whereby 94.2% respondents agreed that the practice of the leadership characteristics can enhance the level of integrity. Only 1 respondent answered 'No' (0.6%) and 10 respondents answered 'Not Sure' (6.5%).

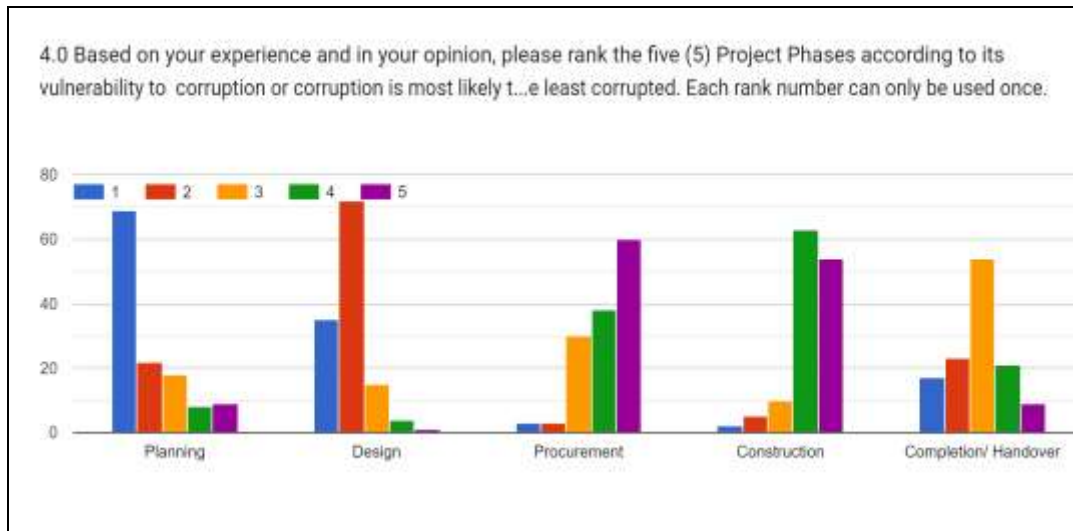
Figure 3: Evaluation on Leadership Characteristics - Whether with the practiced of leadership characteristics and enhanced level of integrity, it can reduce the level and the possibility of corruption



The following question is related to the previous two (2) questions. Respondents were asked the followings; 'In your opinion, referring to Question 1.0 and 2.0 above, do you agree that with the practiced of leadership characteristics and enhanced level of integrity, it can reduce the level and the possibility of corruption?' The results have shown that high agreement of

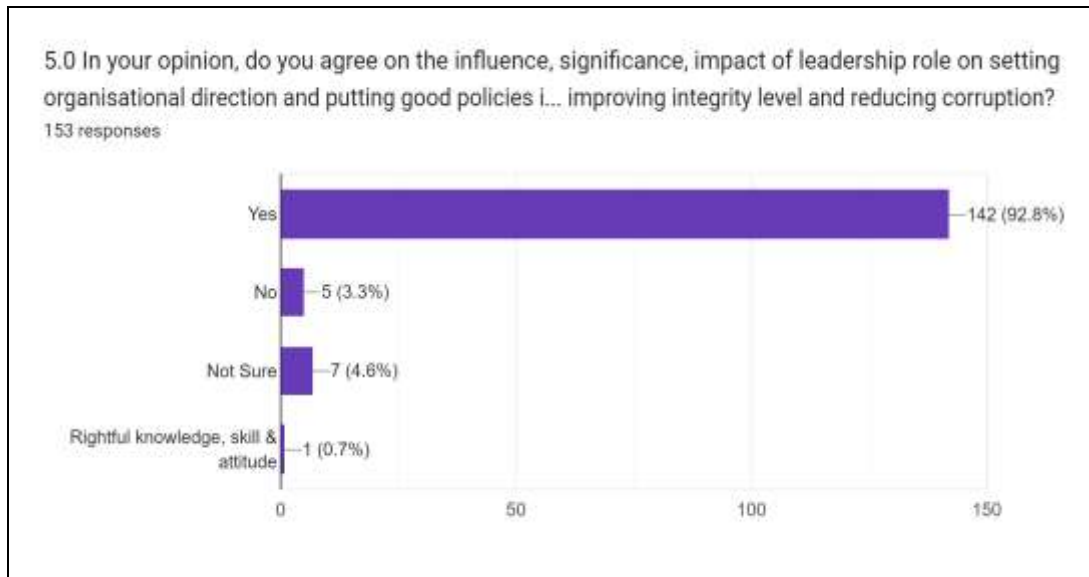
96.1% from respondents was achieved representing 147 respondents that the practice of the leadership characteristics and subsequently enhanced level of integrity can reduce the level and possibility of corruption to occur. Only 2 respondents answered 'No' (1.3%) and 7 respondents answered 'Not Sure' (4.6%).

Figure 4: Ranking of the five (5) Project Phases According To Its Vulnerability To Corruption or Corruption is Most Likely to Occur.



In Question no. 4, respondents were asked; 'Based on your experience and in your opinion, please rank the five (5) Project Phases according to its vulnerability to corruption or corruption is most likely to occur. The rank is between 1 to 5 whereby 5 is the most corrupted Project Phase and 1 is the least corrupted. Each rank number can only be used once'. The result shows that Procurement phase is the mostly corrupted, and followed by Construction phase. Therefore Procurement and Construction are the top two mostly project phases that are prone or vulnerable to corruption from the respondents' opinion. On the other end, Planning is the least corrupted project phase.

Figure 5: Evaluation on The Influence, Significance and Impact of Leadership Role on Setting Organisational Direction And Putting Good Policies in Place in Project Organisation Will Contribute to Improving Integrity Level and Reducing Corruption



The last question on the influence, significance, impact of leadership role on setting organisational direction and putting good policies in place in project organisation will contribute to improving integrity level and reducing corruption. Respondents were asked the followings; 'In your opinion, do you agree on the influence, significance, impact of leadership role on setting organisational direction and putting good policies in place in project organisation will contribute to improving integrity level and reducing corruption?' The respondents have also shown a strong agreement of 92.8% (142 respondents). Only 5 respondents chose 'No' (3.3%) and 7 respondents chose 'Not Sure' (4.6%). Another respondent suggested 'Rightful knowledge, skill & attitude for leadership role.

The last two (2) questions were open-ended on any strategies to empower leadership in project organisation in relation to combating or fighting corruption and general open-ended question for general comments had received an overwhelming response. There were one hundred (100) Strategies recommended by respondents and forty four (44) General Comments from respondents. The recommended Strategies and General Comments were analysed using Thematic Analysis.

The analysis has produced eight (8) themes of Strategies as follows:

- Robust courses and trainings on leadership and anti-corruption;
- Appoint individual or person of role model, high integrity and leadership quality;
- Improve remuneration, salary, award, reward, emolument to compensate staff for their contribution in promoting against corruption;
- Job Rotation system;
- Continuous campaign and awareness on integrity, anti-corruption at all levels;
- Promote and instill good values, spiritual and religious values and Islamic principles of high integrity, transparent, responsibility, trustworthy, truthful, lead by example;
- Emphasise on teamwork rather individual;
- Enhance enforcement and improve policy on Procurement procedure, tender award, project management to minimise vulnerability or opportunity for corruption.

Further analysis and scrutinisation from the eight (8) themes above, has produced three (3) main themes:

- Human resource improvement and enhancement;
- Leader and leadership quality and capacity enhancement;

- Human, spiritual, religious and good values promotion.

The outcome of the Thematic Analysis for General Comments are as the followings:

- Reliability and ensure independence of Malaysia Anti-Corruption Commission (MACC) in their duties;
- Fairness of corruption investigation at all levels;
- Continuous roadshows, campaigns and awareness on corruption as preventive measures;
- Transparency in procurement processes;
- Enhance and empower Leadership;
- Robust actions and empowerment of MACC;
- Policy review and improvement in Construction and Project Management in areas that are prone to corruption;
- Enhance enforcement and law as deterrent to committing corruption;
- Spiritual and Islamic values to be instilled and embedded in people and processes;
- Education policy on corruption.

Based on the results, the findings are that leadership characteristics are essential and crucial to be practiced in project organisation and leadership empowerment in project organisation through the exemplification or practice of leadership qualities or characteristics and setting clearly in place good and effective policies or strategies, can enhance the level of integrity and reduce the level and the possibility of corruption occurrence. The other finding is that Procurement and Construction are the top two mostly project phases prone or vulnerable to corruption whereas Planning is the least corrupted project phase. Therefore, the second and third Research Objectives are achieved.

5. Discussions

The findings provide an empirical support to the previous similar studies on leadership, integrity and corruption and thus contributes to the literature that leadership practice and empowerment in organisation in particular project organisation has positive influence towards enhancing integrity and reducing corruption likelihood. In another perspective, it also contributes by further strengthening the role and crucial position of leadership as a success factor in organisation in relation to enhancing the level of integrity and minimising corruption, that eventually a much transparent, cleaned, efficient processes of project management with optimum utilisation resources of public money can be established to ensure project success. In other words, unnecessary wasted resources, public expenditure and time delay due to corruption if occurs, are buried. The benefits will return back to the community and all stakeholders at large. Furthermore, in this regard, the reduced corruption will uplift the moral images and reputation of government funded projects that are enhanced.

6. Conclusion

Leaders and leadership prominent role in organisational success is well acknowledged in general and project management literature. This paper has contributed to literature that leadership and its empowerment is proven as a mechanism to combat corruption in project organisation. Leaders and leadership are the triggering factor for any new policy changed or putting new initiatives. In this regard, they are the backbones to transform traditional men manual processes of project management and procurement to be more transparent and less human favouritism such as utilising digitalisation and AI (Artificial Intelligence). Eventually

this will and also can minimise any attempts for parties involved in project organisations and construction industry as a whole to any actions leading to corruption, mismanagement, abuse of power, fraudulence, falsifying documents and any similar actions of wrongdoings that have been disastrous to the public funds and governance. Therefore, in this light, much effort is needed that leadership is the direction and it should be considered as a crucial input for skills, trainings and policies in project organisation.

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