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A SELF-ASSESSMENT OF LEADERSHIP PRACTICES IN SMES IN THE CONSTRUCTION SECTOR

Román Alberto Quijano García

Doctor in Strategic Management
and Development Policies

Universidad Autónoma de Campeche

<https://orcid.org/0000-0001-7316-1997>

Roger Manuel Patrón Cortés

PhD in Administration

Universidad Autónoma de Campeche

<https://orcid.org/0000-0003-4553-9803>

Giselle Guillermo Chuc

PhD in Administrative Management

Universidad Autónoma de Campeche

<https://orcid.org/0000-0002-7748-4731>

Fidel Ramón Alcocer Martínez

Master in Senior Management

Universidad Autónoma de Campeche

<https://orcid.org/0000-0002-5106-8932>

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Abstract: Leadership is recognized as the characteristic of an individual who motivates, drives and achieves the permanence of an organization, therefore, the analysis of its evolution and contribution to the company is necessary. Under the case method, a family SME in the construction sector is studied with the objective of identifying the leadership practices developed by the founder and identified by the collaborators. The study includes theoretical aspects of leadership and its styles, as well as its reflection on competitiveness, with an illustrative nested case methodological design, since it has more than one unit of analysis. The results indicate that the five dimensions are present in management according to the self-assessment approach of the Leadership Practices Inventory made to the governing body and that it can be considered as the differentiator that has significantly positioned the company in the economic sector in which it participates.

Keywords: Family SME, Self-assessment, Leadership.

INTRODUCTION

Terrazas(2015), analyzed the characteristics that a leader must have to exert a positive influence and transform the areas where he operates, his work begins by evaluating the conditions of a traditional leader with a one-dimensional vision, to then carry out the statement of premises for the conception of the three-dimensional model: Training (aptitude), values (attitude) and transformation (action). Contreras and Juárez (2013), studied the influence of leadership in the field of well-being and job satisfaction, evaluated the psychological capital of a group of directors of Colombian SMEs to determine its effect on their own leadership practices. According to their results, the participants show a high level of psychological capital in which optimism obtained the lowest score and with a tendency

towards transformational leadership with some transactional characteristics.

LEADERSHIP IN SMES

Pedraja and Rodríguez (2008), relate the leadership style with knowledge management and the design and implementation of strategies, finding that there is a significant relationship between these variables where leadership somehow explains the processes of creation and application of knowledge in tourism SMEs, thus establishing a causal relationship between leadership styles and knowledge management, likewise between knowledge management and strategy design. Elaborating on the influence that leadership and organizational culture have on the effectiveness of SMEs, Rodríguez (2010) points out that transformational leadership has a significant impact on the culture of innovation and competition, and that it is precisely this style that affects effectiveness.

Cárdenas, Lino and Macías (2014) developed a study with MSMEs from the commercial sector in Tecomán, Colima on the leadership exercised by entrepreneurs and how it is perceived by company personnel. In this case, the results indicate that these leaders, the interpersonal style being the most important style, generally do not have a specific time planning method, which stems from a lack of knowledge about the skills and characteristics of a good leader; From the perspective of the employees, a positive perception was obtained, but it is not possible to affirm that they see them as true leaders. Pedraza, Lavín, Delgado and Bernal (2015) evaluated leadership practices in the commercial sector, identifying the five dimensions of the LPI as present in the exercise of commercial management of the companies analyzed. Leadership practices in MSMEs in the service sector have been studied since it is known that the personality of the leader

influences decision-making in organizations, which is reflected in the results achieved by them (Vázquez and Pedraza, 2014).

Velázquez (2005) proposes a leadership style called empathic whose purpose is to provide an alternative to Mexican organizations to design their work schemes and organizational structures around teams that through a leader achieve high performance. The proposal includes conceptualization and structure schemes that pursue the total integration of human capital and the optimal use of material and financial resources, based on research carried out with different productive sectors taking into account the characteristics of Mexican employees and managers; For this, it is previously required to form work teams, support from the authorities and concentration on the tasks and productive processes, which creates the conditions for the empathic leadership model that would allow to obtain as a benefit: a) Innovation in the productive processes, b) Identification with the organizational culture, c) Individual and group creativity at the service of the organization, and d) Full customer satisfaction.

Kouzes and Posner, (2013) designed an instrument known as the Inventory of Leadership Practices (IPL) and that through evaluation and self-assessment processes grouped into five dimensions basically establish two styles, the first of a transformational nature and the second of a transactional nature. This tool establishes five fundamental leadership practices: 1. Challenge processes, where leaders accept challenges and do not remain seated waiting for fate, prepared to accept risks and always experiment in search of innovation; 2. Inspire a shared vision, leaders must harbor the desire to do, change, create so that things are transformed, new things are created and what had not been done happens, this vision propels them forward with an expressive and vivid

communication; 3. Enable others to act. In this sense, leaders encourage collaboration by developing trust and facilitating relationships among collaborators; empowering others by increasing self-determination and fostering the development of their capabilities; 4. Modeling the way, in this dimension we seek to identify if the leader really is, analyzing the congruence between what is said and what is done in business practice. Basically, it seeks to set an example and demonstrate commitment to create momentum and progress in the organization, and 5. Provide encouragement. In this dimension, the objective is to identify if the leader has a positive stimulus reaction for his collaborators, since genuine gestures of interest produce attitudes of joy and a desire to move forward. This tool considers thirty statements grouped into the five dimensions described above.

COMPETITIVENESS IN MSMES

Atristain (2014) studied the relationship of efficient organizational performance with the high competitiveness of Mexican SMEs, particularly in the manufacturing sector, analyzing the use of resources and capacities in production processes under the adoption of practices that allow the objectives to be met, finding that most of the participating MSMES do not have documented processes for obtaining financial resources, although they are generally used to reduce the variability of their processes and increase the quality of the product, they develop management processes for human resources without having specific plans for their development that allow them to improve their skills. On the other hand, personnel are not hired to assist in decision-making, since these are taken directly by the administration without considering leaving that responsibility at any time.

The need to have competitive SMEs is not a local concern but has been detected in

different countries and does not exclude the tourism sector as pointed out by Rodríguez and Guisado (2002), in the study carried out on competitiveness and strategic analysis of tourism in Galicia, Spain, aware that tourism is capable of boosting the country's economy, which is reflected in its contribution to GDP, although not all tourist areas exploit their potential to the fullest, therefore suggesting the need to redefine collective strategies to maximize their comparative advantages. tives and be able to transform them into competitive advantages, with the sustainability of the activity over time as a central objective.

METHOD DESCRIPTION

For this research, the case method was developed to illustrate situations, actions or decisions as a history of events that have occurred and from which one can learn, with the aim of providing real means that allow, through analysis and discussion, to present solution alternatives that have been applied in similar situations and that were developed based on the main concepts and theories associated with the phenomenon under study (Naumes and Naumes, 2006). The case method seeks not only to identify the factors that affect a phenomenon, but also the detailed knowledge of these factors in the units of analysis (Marcelino, Baldazo and Valdés, 2012).

The methodological design used is nested of an illustrative type, since it presents or exemplifies the phenomenon that is investigated under a specific theoretical approach consisting of a single case with more than one unit of analysis: leadership and its practices in SMEs in the construction sector (Yin, 2003). Questionnaire formats known as the Inventory of Leadership Practices (IPL) designed by Kouzes and Posner (2013) were administered to company managers to obtain quantitative information. This instrument

is linked to the central objective of the research by contributing to the identification of the leadership style exercised in the SME under study. The elements that make up the instrument are indicated in Table 1.

The instrument groups dimensions 1, 2, 3 and 4 under the transformational leadership style and number 5 corresponds to the transactional style. Consider scores assigned on a Likert-type scale with values ranging from 1= rarely or never, 2= occasionally, 3= often, and 4= very often or always. The questionnaire was designed with an initial section to obtain sociodemographic information and the position of the leader, followed by questions to establish the administrative profile of the organization.

RESULTS OF THE INTERVENTION

COMPANY BACKGROUND

The organization studied is called Constructora del Mayab and has been the subject of study on topics such as succession (Quijano and Magaña, 2010) and knowledge management (Quijano, Arguelles, Medina and Fajardo, 2017). It began its operations in 1982, with the initial partners being the brothers Eduardo and Mario, natives of Chiapas; The first one had a previous experience of ten years in the construction sector specializing in land routes, while Mario, with business experience, had the capital to start the new company. This way, a capital-experience binomial is created that allows the organization to be in a position to participate in the public works tender and be awarded contracts for the Chontalpa Plan, which was supervised by the Grijalva Commission and included works in Chiapas and Tabasco, thus increasing its experience and position within the market for land routes in the State of Chiapas. The care with which the works were estimated and executed, monitoring all the

technical, legal, and financial aspects, allowed the company to venture into works that were carried out in the State of Campeche, and that is where they won tenders tendered by the now-defunct Secretariat of Hydraulic Resources, which consisted of dirt roads and construction of communal irrigation systems; as well as works for the Federal Electricity Commission participating in the construction of the thermoelectric plant located in the town of Lerma, Campeche. These works are considered by Eduardo as the first important business achievement that significantly positioned the organization and strengthened it financially.

Currently, the company is considered one of the most important construction companies in the State of Campeche, specializing in land routes, and has ventured into such specific activities, such as the construction of airport civil works, including the maintenance and construction of landing strips, participating in the works of the Ixtapa Zihuatanejo airport, of Cd. Victoria Tamaulipas and recently in the works of the Tuxtla Gutiérrez Chiapas airport called Ángel Albino Corzo, which gives an idea of the technological development and business growth of the same. In the social part, it contributes by generating employment for 500 workers on average per year, which allows us to ask the following questions: What are the leadership practices implemented in the company? What is the leadership style that prevails in it? How does leadership influence the positioning and competitiveness of the organization?

DESCRIPTION OF THE PROBLEM OF PERMANENCE IN THE SECTOR

Eduardo's goal is to guarantee that the company's name remains in the market, being recognized for the quality of its works. He considers that part of his success has been being 100% involved with the organization

since its inception; however, he is aware that currently this percentage of attention must be reduced for personal benefit and quality of life, to start the transition process gradually; In the same way, he considers that there are aspects of relevance such as maintaining the position in the market and being competitive, therefore the new leader must have the necessary characteristics to achieve the permanence of the company over time.

ANALYSIS OF THE PARTICULAR PROBLEM

The leader of the organization was interviewed and the group of managers from the areas of General Management, Finance, Construction, Logistics, Human Resources, IT, Purchasing and Accounting were surveyed according to their organization chart and to be able to establish what are the leadership practices that the staff identifies, and how the performance of the founding partner is perceived as such. As sociodemographic characteristics of the managers, it is observed that 88% belong to the male gender, regarding their marital status, 75% are married, the age range with the highest frequency was established between 41 and 50 years, 100% have undergraduate studies and 25% postgraduate studies.

In terms of competitiveness, 75% consider that they have a good level, they point out that the price of services and equipment is the main competitive advantage (62.5%), among the quality policies implemented, an active and participatory work environment stands out (100%), compliance with the specifications of the contracted services (87.5%) and timely compliance with the public works contract (87.5%). 87.5% believe that the company has a good commercial relationship with the government and private sector, and that the organization is perceived positively in the social sphere (75%) (Table 2).

Obtaining profits (87.5%) followed by generating a greater number of jobs (12.5%) stands out as the main business objective. Regarding the values on which the organization has been built, excellence in customer service (75%) is ranked first, followed by respect, initiative and creativity along with honesty (25%).

The managers consider that the most difficult challenges to overcome are: obtaining qualified personnel (50%), the competition (25%) and obtaining credit support (25%); In this sense, the strategies they use to overcome obstacles are: having better internal and external communication (26.8%), applying added value to services (23.2%) and promoting administrative simplification (16.1%).

For the interpretation of the means obtained as a measure of intensity of leadership practices, three levels were established: a) low, for those means between 0 and 1.3, b) moderate, for those cases with means between 1.3 and 2.7, and c) high, with means of 2.8 to 4.

The questionnaire administered to the managers participating in the study contemplates five dimensions, for which both the mean and its standard deviation were determined in order to analyze the items closest to and farthest from the assigned values, as well as the level of dispersion of the responses, which are observed in Table 3.

It is observed that the highest average corresponds to the dimension “challenge the processes”, which indicates that the studied population perceives that in the organization the leader looks for opportunities and seeks innovative ways to improve the operation of the company, and the lowest average is for the dimensions “enabling others to act” and “giving encouragement to the heart”, which suggests that at the management level it is perceived that others are not involved in the planning of actions, good work is not praised and there

is little recognition of the collaborators in the success of the projects.

Inspiring a shared vision is the dimension that obtained the highest standard deviation compared to the others, and indicates a greater dispersion in the responses of the managers since not all perceive that the leader shares his vision of the future of the company and guides others on how to materialize their own interests, and the least dispersion corresponds to “challenging the processes” which indicates a greater coincidence in the managerial opinion regarding the way in which the leader of the company experiments, takes risks, and learns from mistakes.

CONCLUSIONS

According to the questions raised and based on the results of the survey, it is possible to conclude that the five dimensions of leadership practices are present in the studied company, with a moderate level of intensity, since only the dimension “challenge the processes” reached an average of three, consequently the prevailing style is transactional since continuous improvement and innovation are promoted, but those who do a good job and contribute their creativity in the performance of their duties are not adequately recognized.

Even when the leadership practices are not classified as high intensity, the company’s managers consider that they have a good competitive level and that the organization maintains adequate relations with the government and private sectors, in addition to being perceived positively by the community.

It is important that the leader discover his style, understand it, and refine it, since his performance will affect the members of the work team, and in the near future, he puts the generational succession process at risk if he does not define the ideal and compatible characteristics among the collaborators, the family nucleus, and the probable successor.

Dimension	Operational Definition	Reactives	Proportion
1. Challenge processes	Leaders accept challenges and are prepared to accept risks and experiment, always seeking to bring innovation.	1,6,11,16,21,26	20%
2. Inspire a Shared Vision	It consists of harboring the desire to do, change and create so that things are transformed, new things are created and what had not been done happens, this vision propels the leader forward with expressive and vivid communication.	2,7,12,17,22,27	20%
3. Empower others to act	Collaboration is fostered by developing trust and facilitating relationships among collaborators, strengthening self-determination and developing their capacities.	3,8,13,18,23,28	20%
4. Model the way	It is the congruence between what is said and what is done in business practice. Basically, it seeks to set an example and demonstrate commitment to create momentum and progress in the organization.	4,9,14,19,24,29	20%
5. Provide encouragement	the leader has a positive stimulus reaction for his collaborators with genuine gestures of interest that produce attitudes of joy and a desire to move forward	5,10,15,20,25,30	20%

Table 1. Definitions of the survey administered to the managers of the organization.

Source: Own elaboration with information from Kouzes and Posner (2013).

	Competitive level		Relationship with government sector		Relationship with the private sector		Relationship with social sector	
	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Good	6	75	7	87.5	7	87.5	6	75
Regular	1	12.5	1	12.5	1	12.5	1	12.5
Bad	1	12.5					1	12.5
	8	100	8	100	8	100	8	100

Table 2. Aspects of competitiveness and relations of the company.

Source: Own elaboration, based on statistical information

Dimension	N	Minimum Value	Maximum Value	Average	Standard Deviation
Challenge processes	8	2	4	3.0	2.01
Inspire a Shared Vision	8	2	4	2.5	2.54
Empower others to act	8	1	3	2.1	2.06
Model the way	8	2	3	2.2	2.46
Give breath to the heart	8	2	3	2.1	2.02

Table 3. Descriptive statistics related to the five dimensions of the LPI.

Source: Own elaboration, based on statistical information

Developing this type of research in different geographical areas can help to establish whether customs and culture are factors that influence the leadership style present in the construction sector.

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