

## **Empowering Project Success: Unraveling the Dynamics of Leadership, Power, and Stress in Modern Project Management**

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### ***ABSTRACT***

Project leadership is a multifaceted concept that significantly influences the success or failure of project implementation. This study explores the intricate relationship between leadership, power dynamics, and stress management in project management. The research highlights how effective leadership, particularly in navigating power asymmetries, is crucial for fostering team cohesion and driving projects to successful completion. Additionally, the study examines the critical role of stress management, revealing that while moderate stress can enhance performance, excessive stress can undermine leadership effectiveness and project outcomes. Through a case study of FNZ's Investment Operations Department, the research underscores the importance of adaptability in leadership, especially in the volatile financial sector. The findings suggest that inclusive leadership, trust-building, and strategic power management are essential for mitigating challenges and enhancing project performance. This study provides valuable insights for project managers seeking to refine their leadership strategies in complex and dynamic environments.

**Keywords:** Project Leadership; Power Dynamics; Stress Management; Inclusive Leadership; Project Success

## **1. INTRODUCTION**

Project leadership is the resultant factor upon which a project being implemented will succeed or fail; project Leadership is a complex concept; project leadership is a multi-faceted concept that incorporates a number of skills and strategies with the proviso that their application in project teams is with a view to steering the teams towards achieving project objectives. Project managers are usually responsible for organizing resources, time, and other tasks related to projects but this is only part of the deal; another equally important aspect is the ability to encourage people and help them become as productive as possible. Given the current pace of changes in business environment coupled with growing complexities in interactions with customers and other partners, the importance of project management leadership becomes more critical as projects become more complex and vulnerable to change.

### **1.1. Power Dynamics in Project Management Leadership**

As far as the concepts of project management are concerned the factor of power becomes a significant factor. In terms of project teams, too formal authoritative power and informal power relations play crucial roles in managing and effecting decisions on resources and objectives. These are the power relationships that are vested with the team and how the project is or will be successful (Liu and Feng 2006). provide an explanation of power within the project context and argue that it is critical for leadership. They focus on approaches to

deal with the misuse of power like transferring power, sharing power and power pooling.

These power types can be in a positive relationship that would help projects or be in a negative relationship that can hinder progress. For instance, if a project manager only exercises positional power then he or she would have no understanding that the team is not going to totally trust and support him or her. On the other hand, the use of personal power to for example show competence in performing a task or fostering good interpersonal relationships can be used to reinforce teamwork and better project outcomes. Another study by (Liu and Feng 2006) shows that project managers must deal with these dynamics at work and utilize strategies that equalize power within the group to ensure increased cooperation within the team.

### **1.2. Strategies for Managing Power Gaps**

Developing a power-oriented theory of project leadership reflects ways to mitigate or eliminate power asymmetries and strategies to employ bases of power to achieve projects' outcomes. There are certain ways in which project managers manipulate these types of power and here are some of them: Project managers use a number of techniques that allow them to address these power relationships in order to empower the team members. One such strategy is the establishment of trust amongst team members and the coach as well as the creation of an environment that encourages everyone's accountability.

They should build a team environment that

is inclusive. Inclusive leadership approaches in building inclusive workplace diversity combat power episodes and foster an environment in which each employee is empowered to bring their individual viewpoints and talents to the team. This not only assists in filling the power gaps but also in boosting the general performance of the team besides increasing its innovative potential.

Another key tactical consideration is developing trust. The project managers should earn trust through transparency, consistency and fairness in their behavior and decisions. When a person trusts his or her leader, that person will be willing to devote his or her complete effort and contribute to the project in the team-oriented manner. Trust also helps the project team in coming up with an effective communication strategy that ensures the project team clearly identifies any potential power relationships or other concerns that may arise throughout the project lifecycle.

### **1.3. Project Management Leadership in Modern Organizations**

Project management has become one of the most significant drivers in the modern organizations as it is responsible for the promotion of strategic growth and corporate goals. Project management leadership ensures that organizational resources and risks are managed and that organizational project goals are met is an excellent illustration of the significance of developing the PM discipline in project risk

management and resource-leveling concerns – and maybe above all – in the turbulent field of finance.

In the current dynamic business where most projects are done in a multi-disciplinary team, and in which there are many contingencies, it is not surprising that there has been an increasing interest in the use of power games in project management. Project managers need to find effective ways to deal with these challenges without losing sight of the strategic driver of projects. This implies a thorough knowledge of project management models coupled with the strategic directions of the enterprise.

### **1.4. Case Study Analysis: FNZ's Investment Operations Department**

A closer look at project management done in the Investment Operations Department of FNZ tells a lot about the real world best practices of project management. This case is an example that shows why organizations need to be dynamic and be able to effectively respond to the evolving nature of projects and the increasingly dynamic macroeconomic environment. focuses on project management strategies at FNZ and links the approaches to the success of projects while highlighting the problems that arose during project implementation.

I discovered that the Investment Operations Department of FNZ encountered a number of challenges common to project working environments that are evolving and diverse. These were the effective management of cross-functional teams, managing the

volatile market environment, and legal and ethical issues in the value chain. These challenges are, therefore, crucial to project management leadership, and FNZ's strategies can offer valuable insights into dealing with them.

Flexibility was the principle that would be used to describe how FNZ rose to become the success that it is today. The leaders of the project management team were ready to react accordingly to any changes in requirements for their work and methodologies. This was very important due to the uncertainty which characterizes the financial industry and made it possible for the project to be in line with the strategic direction of the company.

### **1.5. Bridging the Gap: Leadership, Stress, and Project Success**

There has been great improvement when it comes to project management however there are challenges to project success. There is one specific aspect that deserves deeper attention, and that is the relationship between project management and leadership, project stress, and project success. The task of the leader is to minimize the stress for each member of the team as much as possible and ensure maximum project performance examines this relationship, with an eye towards the roles of the situational factors and differential levels of team proficiency.

The leadership style of project members is closely associated with the issue of stress management. Managers who are better at

expressing emotions and displaying concern as well as effective communicators can foster organizational conditions that are healthy and lower job strain. This, in turn, can manifest in more engagement and activity from the team members.

## **2. Aim of the Study**

1. Identify and analyze critical leadership skills for effective project management, including communication, decision-making, strategic thinking, and emotional intelligence.
2. the role of cultural ethics and practices in project management leadership while Explore considering the challenges and opportunities presented by the globalized project environment.
3. Review strategies to establish vision and purpose within project teams, aligning individual efforts with project goals.
4. Investigate communication and stakeholder management strategies at various stages of the project management cycle, emphasizing the importance of effective communication in project success.
5. Assess the impact of organizational culture on project outcomes and explore ways to navigate organizational dynamics as a project leader.

6. Discuss ways to build high-performing teams across geographic boundaries, considering factors such as trust, collaboration, and accountability.
7. Review the decision-making process and thinking skills necessary for project leaders, especially in complex and dynamic project environments.
8. Review the standards and governance framework that project leaders must adhere to, ensuring accountability and quality assurance throughout the project lifecycle.

### 3. Research Methods

A comprehensive search strategy was applied to acquire suitable data for this review. The assignment began with using a variety of credible sources, including PubMed, Google Scholar, IEEE Explore, ScienceDirect, and JSTOR. Specific keywords used were: leadership competencies; leadership standards; communication skills; dealing with organizational culture; managing/working in teams; decision-making in projects; cross-cultural project management; ethics. This effort targeted the diverse spectrum of knowledge associated with leadership in the area of project management.

The selection of studies was carefully

planned especially by the focuses of the study which were primarily in books, conference papers, and most recent studies in an academic journal. The emphasis was on the provision of empirical data related to leadership in project management or a theoretical basis or practical experiences that are significant in a given research. When the information was collected and feedback from the subject matter experts was considered, the scope of the search was expanded appropriately.

Following the collection of the sources in the library, every article required a dedicated reading to pinpoint the key points, methodologies, and theories applied. Data from the included studies was then reviewed systematically to provide a comparison of common themes and points. Specific details were taken to include critical leadership characteristics, cultural relationships, interaction, working styles, communication strategies, organizational culture, relationships, teams, decision-making, and legal/regulatory framework for projects.

#### 3.1. Limitations of the Research Method

The methodology allowed for a thorough examination of the relevant literature, but some limitations should be taken into account. First, despite a concerted effort to include a variety of sources, some relevant studies may have been inadvertently omitted due to the inherent constraints of database searches. Comprehensive and diverse search terms were used to capture a wide range of studies, yet some relevant research might have been excluded

because it did not fit the specific parameters of the search criteria. This limitation can lead to an incomplete representation of the current state of research, potentially missing key studies that offer unique insights.

Additionally, publication bias may have been introduced by relying on published material, which may have skewed the representation of perspectives in the field. Academic journals often favor studies with positive results or significant findings, leaving unpublished or less prominent studies with negative or inconclusive results less likely to be included in the literature. This creates a bias in the representation of knowledge, as certain viewpoints or outcomes may be overrepresented while others are underrepresented. Consequently, the conclusions drawn from the review might not fully encapsulate the broader range of research outcomes.

#### **4. Summary of Findings:**

##### **4.1. Vocational colleges should consider the following policies:**

The study's conclusions have led to policy recommendations for Shandong's vocational colleges, which include creating transparent hiring procedures, encouraging work-life balance for executives, and developing and enforcing gender equity rules. Within vocational education institutions, these policies seek to enhance gender-inclusive leadership practices.

##### **4.2. Development of Training Programs for Emerging Leaders:**

To prepare Shandong's vocational colleges' future generation of leaders, training programs with a gender perspective are important. To develop a pipeline of inclusive leaders, these programs should include instruction in gender sensitivity and equity, conflict resolution strategies, and leadership skills.

##### **4.3. Project Stress and Leadership:**

The conduct and performance of project managers are greatly impacted by stress. High levels of stress can impair project success overall and leadership effectiveness, whereas moderate levels of stress can improve performance. For project managers to continue performing at a high level, effective stress management is essential.

##### **4.4. Obtaining Sufficient Investments for Business Growth:**

Getting enough capital for growth is a problem for businesses, local or international. It is crucial to have access to a variety of funding sources, including crowdfunding websites, venture capital firms, and conventional banking institutions. Securing investments also requires resolving market volatility and upholding legal compliance.

##### **4.5. Enhancing Leadership Skills in Project Management:**

An essential component of successful project management is interpersonal skills. Project managers need to possess critical leadership skills like analysis, judgment, communication, and

relationship management. Better project outcomes are the result of these abilities' ongoing progress (Denney et al., 2020).

#### **4.6. Assessment of Leadership Skills in Project Management Education:**

Project management education may effectively evaluate leadership qualities through practical, multidisciplinary techniques. Successful project managers possess a number of essential skills, including excellent communication, relationship management, and accountability (Mazzetto, 2019).

#### **4.7. Project Leadership Facets and Behaviors:**

The Location It has been determined that certain aspects and behaviors of seven plus twelve (7+12) project leadership are necessary for the effective completion of projects. These qualities are the outcome of cooperative efforts between academic institutions, professional associations, and leaders in the industry (Clarke, 2009).

### **5. Critical Evaluation of the Findings:**

A comprehensive understanding of the complexities involved in leading projects within diverse organizational contexts is enabled by the research reviewed, which sheds light on several important topics of project management leadership, including gender-inclusive behaviors, stress management, Funding challenges, and a leadership assessment framework.

There is a need to address gender inequality in leadership roles, as evidenced by (Ma, Abdullah, and Tong's 2021) integration of

gender inclusive leadership techniques in professional colleges. Key strategies for advancing gender equality in leadership roles include mentoring programs, gender-sensitive leadership development, and inclusive company environments. Although these programs show promise, more research is necessary to determine their long-term efficacy and scalability.

Similarly, (Matić 2021) discusses the importance of stress management in project leadership and highlights the impact of stress on project outcomes and leadership effectiveness. While a certain amount of stress can improve performance, too much stress can undermine leadership skills and affect the effectiveness of a project. Therefore, for project managers to maintain optimal levels of performance, they must establish effective ways to manage stress.

### **6. Analysis of Differences in Perspective:**

Despite the diversity of research findings, there are significant differences in approach among the reviewed papers. For example, (Ma, Abdullah, and Tong 2024) focus on the role of gender-inclusive leadership behaviors in educational settings, exploring how these behaviors contribute to a more equitable work environment. and promote diversity at all organizational levels. Their study suggests that inclusive leadership not only increases morale and engagement but also fosters creativity and innovation through diverse perspectives. This approach is particularly important in the context of academia, where collaboration and exchange of ideas are central to development.

However, other authors in 2024 examine project management through a different lens,

focusing on funding issues in the corporate sector. This focus addresses the financial pressures and budget constraints that often drive project management decisions. This approach prioritizes the need for cost efficiency, resource allocation, and risk management to ensure project success. The emphasis on financial intelligence in these studies is consistent with the profit-driven goals of the corporate world, as opposed to the more socially driven goals of academic contexts.

On the other hand, other studies emphasize the importance of financial information and strategic decision-making in project management. These studies conducted by various authors in 2024 emphasize the need for analytical thinking, data-driven decision-making, and a deep understanding of market trends and financial risks. This approach resonates with industries where profit margins and return on investment are most important, such as finance, technology and manufacturing.

### **6.1. Discussion on the Effect of Each Method on Results and Output:**

The complexity and depth of the findings are enhanced by the methods used in the studies reviewed, which range from empirical research to theoretical analysis. Through the use of a holistic methodology that includes case study analysis, literature review, and empirical research, academics have been able to clarify key concepts related to project management leadership.

As demonstrated by (DEMİRALP, 2024) case study analysis, for example, provides

useful insights for the implementation of project management practices in practical settings. Similarly, empirical research on gender-inclusive leadership practices (Ma, Abdullah, and Tong, 2024) offers verifiable data to back up suggestions for legislation and programs for training.

## **7. Suggestions for Future Research:**

### **7.1. Examining Cross-Cultural Leadership Dynamics:**

As project teams become more globalized, cross-cultural leadership dynamics are increasingly important. Cultural differences can affect power structures, communication styles, and decision-making processes within these teams. For example, hierarchical cultures may favor top-down decision-making, while egalitarian cultures lean toward collaboration. Communication styles may also differ. Some cultures are direct, while others are more indirect.

To lead effectively in multicultural settings, project managers need to understand these cultural nuances. It helps them navigate team interactions, resolve conflicts and make informed decisions. By exploring these intercultural dynamics, leaders can build more cohesive teams and achieve successful project outcomes in a diverse world..

### **7.2. Leadership Development Longitudinal Studies:**

Investigating the long-term efficacy of interventions and programs for leadership development can provide



important new information on how these initiatives and programs affect project outcomes and organizational performance. Researchers can spot patterns, obstacles, and opportunities for growth in leadership development programs by tracking the evaluation of leadership qualities across time.

### **7.3. Examining Technology's Role in Leadership:**

Future studies may examine how technology either helps or impedes the use of effective leadership techniques, given the widespread use of digital tools and platforms in project management. Examining how project managers use technology to collaborate, communicate, and make decisions can help reveal new trends and best practices in digital leadership.

### **7.4. Examining Leadership Techniques for Distant Teams:**

The increase in remote work has made new leadership strategies necessary, especially when it comes to overseeing geographically scattered project teams. Subsequent studies may examine efficacious leadership approaches, communication methodologies, and team-building exercises customized for geographically dispersed work settings. Furthermore, studying how distant leadership affects morale, productivity, and team cohesiveness might yield useful information for remote project management.

### **7.5. Including DEI (Diversity, Equity, and Inclusion) in Leadership Practices:**

Building on the results pertaining to gender-inclusive leadership techniques,

future studies may examine methods for incorporating the ideals of diversity, equity, and inclusion into project management strategy. Researching the benefits of inclusive leadership behaviors for teamwork, creativity, and organizational resilience can help develop more inclusive project cultures and lessen prejudice in the decision-making process.

### **7.6. Assessing the Efficacy of Leadership Standards and Governance Frameworks:**

Future studies could evaluate the effectiveness of current standards and frameworks in various organizational situations, given the significance of adherence to standards and governance frameworks in guaranteeing project success. Examining the effects of standardization on stakeholder satisfaction, project outcomes, and organizational performance can reveal areas where project management governance processes need to be improved.

## **8. Conclusion**

In conclusion, project management leadership is the complex process necessary to guide teams toward productive project outcomes. Key components of effective leadership include navigating company culture, building diversity, managing stress, and understanding power dynamics. Our research combined many perspectives and findings to highlight important insights

related to leadership skills, gender inclusion practices, stress management, funding issues, and leadership assessment frameworks. It has been observed that integration methods, such as training that takes into account gender equality and mentoring programs, support gender equality in leadership positions in educational institutions. Excessive stress has been shown to be detrimental to project success, making stress management essential to maintaining leadership effectiveness. Additionally, to sustain business growth and attract investment requires overcoming financial constraints and ensuring sound financial decision-making. Our study highlights the significance of financial acumen, emotional intelligence, interpersonal skills, and strategic decision-making in project leadership, despite the fact that these areas have varied in emphasis among studies. From a methodological perspective, case studies provide useful insights, and empirical research provide solid proof to back up proposals for policies and training programs. But every strategy has built-in drawbacks, which emphasizes the necessity of a well-rounded strategy. Future study should examine the following topics: the use of technology in leadership; cross-cultural leadership dynamics; longitudinal studies on leadership development; techniques for remote teams; and the integration of diversity, equity, and inclusion ideals into leadership practices. So, evaluating the effectiveness of governance and leadership standards is essential to improving project results and organizational performance. Scholars can enhance our comprehension of

project management leadership and facilitate the creation of proficient leadership techniques in various organizational settings by tackling these domains.

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