Optimizing Teamwork for Sustainability: Best Practice Strategies for Small and Medium – Sized Construction Enterprises in Malaysia

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ABSTRACT

The Malaysian construction industry, a vital pillar of the national economy, is characterised by intense competition and market saturation, creating a precarious operating environment for Small and Medium-sized Enterprises (SMEs). A significant contributor to the high failure rate among these contractors is the chronic deficiency of effective teamwork within organizational structures. This study aims to establish a robust framework of best practices to enhance teamwork performance, thereby fostering resilience and long-term sustainability. Employing a quantitative methodology, data was collected via a structured questionnaire survey distributed to 67 G5-class contractors in the Klang Valley, Malaysia's primary construction hub. The research was structured in three phases: first, establishing the theoretical underpinnings of team formation via Tuckman's model; second, diagnosing critical impediments to teamwork; and third, formulating and validating a set of best practices. Findings reveal that the most critical barriers are multifaceted: personal ego at the individual level, a lack of leader motivation and enablement at the management level, and the pervasive "over-the-wall" syndrome at the cultural level. The study culminates in a hierarchy of 17 inter-related best practices. The top-tier strategies advocate for a synergistic approach: leadership must proactively motivate teamwork (management), individuals must be prepared to embrace behavioural change (individual), and a culture of open communication must be institutionalized (cultural). The study concludes that optimizing teamwork is not a unilateral responsibility but a tripartite commitment requiring initiated leadership, adopted individual change, and a sustained collaborative culture. This research provides an actionable, evidence-based roadmap for SME contractors to transform their operational dynamics, enhancing their competitive advantage and sustainability in an unforgiving market.

Keywords: teamwork, construction SMEs, sustainability, best practices, Malaysia, competitive advantage, organizational performance, humanistic management, project management

INTRODUCTION

The global construction landscape stands as a monument to human ingenuity, marked by breath taking architectural feats and relentless technological advancement. Yet, beneath the surface of steel and concrete lies a more fundamental, human-centric determinant of success: the effective coordination and collaboration of people. The ancient adage that "a wise man leads a successful life" finds its modern corporate parallel in organizations steered by leadership that champions collective success through robust, synergistic teamwork. However, the modern business era is increasingly plagued by a culture that often glorifies individual ambition at the expense of collective goals, leading to a gradual but perceptible erosion of the collaborative spirit essential for complex undertakings (Khan et al., 2021). This challenge is particularly acute in the project-based construction industry, where the inherent complexity and interdependency of tasks demand seamless integration of multiple disciplines, yet the cultivation of cohesive teams is frequently undervalued.

In the Malaysian context, this problem is magnified by a saturated and hyper-competitive market. The Construction Industry Development Board (CIDB) Malaysia (2023) reports a landscape densely populated with tens of thousands of registered contractors all vying for a limited pool of projects. This scarcity exerts intense competitive pressure, which disproportionately impacts small and medium-sized contractors who lack the financial buffers and extensive resources of their larger counterparts. While financial constraints are often cited,

a growing body of evidence identifies the absence of effective teamwork as a critical, yet addressable, reason for the failure of these SMEs to achieve sustainability and growth (Nawi et al., 2021; Lim & Ling, 2022). Dysfunctional teamwork not only stifles employee potential and caps organizational performance but also corrodes employer-employee relationships, ultimately compromising project outcomes in terms of cost, time, and quality (Ali et al., 2022; Ofori-Kuragu et al., 2021).

Consequently, this research is motivated by the urgent and pragmatic need to address the teamwork deficit within Malaysian construction SMEs. The foundational premise is that survival and prosperity in this hyper-competitive industry require a deliberate and strategic effort from management to cultivate a collaborative culture (Rahman et al., 2020). A company cannot sustainably thrive on isolated acts of individual heroism, it requires the synergistic power of a unified team where, an element that is indispensable for the successful delivery of any construction project. This paper, therefore, seeks to bridge the gap between theory and practice by establishing a set of evidence-based, hierarchically-structured best practices. The ultimate aim is to provide a clear roadmap for small construction companies to promote and improve teamwork performance, thereby enhancing their operational resilience, sharpening their competitive edge, and securing their long-term sustainability.

LITERATURE REVIEW

The Conceptual Foundation and Imperative of Teamwork

Teamwork can be comprehensively defined as a dynamic process involving a group of individuals working collaboratively towards a common and valued goal. It is characterized by synchronized efforts, mutual accountability, shared mental models, and the complementary integration of diverse skills and perspectives (Ling & Bui, 2020; Mathieu et al., 2019). In the context of the construction industry, an environment inherently defined by complexity, uncertainty, and a multitude of interdependent professions effective teamwork transitions from being merely beneficial to being absolutely essential for project success.

A critical conceptual distinction, often blurred in practice, is that between a genuine "team" and a simple "working group." According to Le et al. (2021), a true team possesses a cohesive collective identity, a shared commitment to a common purpose, psychological safety that encourages open dialogue and risk-taking, and mutual accountability for outcomes. In contrast, a working group typically consists of individuals who coordinate their activities but operate primarily within siloed structures, focusing on individual responsibilities and performance metrics without a deeply ingrained sense of collective ownership.

The theoretical understanding of how teams evolve was profoundly shaped by Tuckman's (1965) seminal model, which outlines five sequential stages of group development:

1. Forming: The initial stage of orientation, politeness, and relationship building, where members understand the task and test boundaries.

2. Storming: A period of inevitable conflict, competition, and negotiation as individual personalities, ideas, and working styles emerge and clash.

3. Norming: The development of group cohesion, established norms, roles, and trust, leading to a more harmonious and collaborative environment.

4. Performing: The stage of high effectiveness, where the team functions as a cohesive unit to achieve its goals efficiently and synergistically.

5. Adjourning: The disbandment of the team upon completion of the task, often involving a period of reflection and recognition.

This model underscores that effective teamwork is not an instantaneous occurrence but a developmental journey that requires skilled navigation through the turbulent Storming stage to reach the productive Performing stage. Effective collaboration typically begins to crystallize during the Norming stage and peaks at Performing,

highlighting the indispensable role of patient, adaptive, and skilled leadership throughout this developmental trajectory (Mumford et al., 2017).

The Malaysian Construction Context: A Landscape of Fragmentation

The Malaysian construction industry, while a significant contributor to the nation's GDP, is frequently described as fragmented and traditionally adversarial (Ahmad & Ibrahim, 2020; Durdyev & Hosseini, 2020). This fragmentation manifests as poor integration among the various project stakeholders, architects, engineers, quantity surveyors, and contractors, leading to pervasive inefficiencies, cost overruns, delays, and compromised quality (Othman & Shahidan, 2022).

A particularly damaging manifestation of this fragmentation at the organizational level is the "over-the-wall syndrome." This metaphor describes a workflow where tasks are completed in isolated phases or departmental silos and then simply "tossed over the wall" to the next party with minimal communication, feedback, or shared responsibility (Nawi et al., 2021; Zhao & Wang, 2022). This syndrome creates significant barriers to integration, fosters a blame culture, and is a major inhibitor of a harmonious, proactive, and effective teamwork environment. It represents a fundamental breakdown in the collaborative process, forcing teams to constantly rectify issues that could have been avoided with earlier and more integrated input.

A Multilateral Framework of Factors Affecting Teamwork Effectiveness

Research indicates that teamwork effectiveness is influenced by a complex, interconnected array of factors. For analytical clarity, this study categorizes these factors into three primary perspectives (Le et al., 2021; Yang et al., 2021):

1. Individual Factors: These pertain to the intrinsic attributes, behaviours, and attitudes of team members. Key detrimental factors include:

a. Personal Ego: A reluctance to subordinate individual recognition and autonomy for the collective good of the team.

b. Silo Thinking: A mindset of knowledge hoarding and an unwillingness to collaborate or share information across functional boundaries.

c. Deficient Interpersonal Skills: Poor communication, active listening, and conflict resolution abilities.

d. Multicultural Dynamics: In the Malaysian context, deeply ingrained multiracial dynamics can sometimes lead to the formation of cliques and cronyism, hindering the formation of a unified team identity.

2. Management and Leadership Factors: The style, actions, and competence of leadership profoundly shape a team's dynamics and output. Critical factors include:

a. Lack of Motivational Leadership: A leader's failure to inspire, motivate, and actively create enabling conditions for collaborative work.

b. Authoritarian Leadership Style: An autocratic or top-down approach that stifles initiative, open communication, and participant buy-in.

c. Poor Supervision and Direction: A lack of clear goals, defined roles, and constructive feedback.

d. Silo-Reinforcing Structures: Organizational designs and reward systems that reinforce departmental boundaries rather than promoting cross-functional integration.

3. Cultural and External Factors: These encompass the broader organizational culture and external influences that shape behaviour:

a. Groupthink: A phenomenon where the desire for harmony or conformity within the group results in an irrational or dysfunctional decision-making outcome, suppressing dissenting opinions and critical evaluation (Janis, 2009).

b. Resistance to Change: An organizational inertia that defends established but inefficient work processes against new, collaborative methods.

c. Over-the-Wall Syndrome: As previously discussed, this is a cultural pathology that normalizes disjointed workflows.

d. Informal Group Influence: The disruptive impact of informal social networks that may operate with goals misaligned with the formal organization's objectives.

Humanistic Management: A Philosophical Enabler for Collaboration

A leadership philosophy that shows significant promise in countering these barriers and fostering teamwork is humanistic management. This approach represents a paradigm shift from rigid, transactional, and top-down authority towards cooperative, participative, and empowering leadership practices (Rahman et al., 2020; Melé, 2016). It fundamentally recognizes employees as holistic human beings with intrinsic worth, valuable insights, and a desire for personal and professional growth, rather than treating them as mere instruments for production. By fostering authentic, two-way communication, demonstrating genuine care, and building trust-based relationships, humanistic management lays the essential groundwork for the psychological safety and mutual respect that are the bedrock of high-performing, innovative teams (Moehler et al., 2021; Edmondson, 2018).

METHODOLOGY

To achieve its objectives, this study employed a quantitative research design, chosen for its ability to systematically quantify perceptions and identify patterns across a targeted population. The research was executed across five distinct phases to ensure rigor and comprehensiveness.

Phase 1: Literature Review and Objective Formulation

A comprehensive review of extant literature was conducted to establish the theoretical foundation, leading to the formulation of three core research objectives:

1. To identify the foundational process involved in forming an effective team.

2. To investigate the critical factors influencing the effectiveness of teamwork in small construction companies.

3. To establish and validate a set of best practices to emphasize and enhance teamwork performance.

Phase 2: Population and Sampling

The target population for this study was G5-class construction contractors, representing small enterprises, operating within the Klang Valley. This region was selected as it is the epicenter of Malaysia's construction activity, hosting the highest concentration of contractors and projects, thus providing a rich and relevant data source (CIDB Malaysia, 2023). A purposive sampling technique was used to select 67 such contractors for participation.

Phase 3: Instrument Development and Pilot Study

The primary data collection instrument was a structured questionnaire. To ground the study in practical realities and enhance the content validity of the survey, a preliminary pilot survey was conducted with three G7-class (large) contractors. The insights from these established firms helped benchmark and identify potential best practices, which were subsequently integrated into the main questionnaire.

The finalized questionnaire was divided into three sections:

A. Section A: Collected demographic and organizational profile data (e.g., respondent's age, position, company size, years in operation).

B. Section B: Investigated the critical factors affecting teamwork effectiveness using a 5-point Likert scale (1=Strongly Disagree to 5=Strongly Agree). Factors were categorized into the three pre-defined perspectives: Individual, Management/Leadership, and Cultural/External.

C. Section C: Sought to establish and validate the best practices for emphasizing teamwork, also using a 5-point Likert scale and structured around the same three perspectives.

Phase 4: Data Collection

The questionnaires were distributed to the 67 targeted G5 contractors. The response rate was 100%, yielding 67 complete and usable responses.

Phase 5: Data Analysis

The collected data underwent a rigorous analytical process. First, the reliability of the survey instrument was assessed using Cronbach's Alpha, which yielded scores of $\alpha = 0.756$ for Section B and $\alpha = 0.754$ for Section C, both exceeding the accepted threshold of 0.7, thus confirming good internal consistency. Subsequently, descriptive statistics, specifically mean scores and standard deviations were calculated for each variable. These mean scores were then used to rank the identified factors and proposed best practices in order of their perceived criticality and effectiveness, providing a clear, data-driven hierarchy.

RESULTS AND FINDINGS

Demographic Profile of Respondents

The survey captured a diverse snapshot of the SME construction sector in the Klang Valley. The 67 respondents comprised a relatively young workforce, with the largest cohort aged 20-30 years (38.8%), followed by those aged 30-40 (29.9%), suggesting a dynamic and potentially digitally-native demographic. The racial composition reflected Malaysia's multi-ethnic tapestry: Malay (43.3%), Chinese (29.9%), and Indian (26.9%). In terms of organizational hierarchy, the majority held executive-level positions (Senior Executives 38.8%, Junior Executives 31.3%), with Managers (16.4%) and Directors (13.4%) providing crucial strategic insights. Regarding company characteristics, a significant proportion (38.8%) had been operating for over ten years, indicating a degree of resilience. However, 46.3% employed fewer than 20 people, firmly categorizing them as small enterprises and aligning with the study's focus.

Hierarchy of Critical Factors Hindering Teamwork

The analysis revealed a clear hierarchy of impediments, underscoring the multi-layered nature of the teamwork problem.

- Individual-Level Barriers: The most critical barrier identified was Personal Ego (highest mean score), manifesting as a resistance to trusting colleagues and a desire for individual acclaim over team success. Closely related and ranking second was Silo Thinking, indicating a pervasive mindset of knowledge protection and cross-functional reluctance.

- Management and Leadership Barriers: From this perspective, the most critical factor was the Lack of Leader Influence, Motivation, and Enablement. This points to a fundamental leadership gap where managers are not proactively championing, rewarding, or structurally facilitating collaborative work. The general Leadership Style was also a prominent factor, confirming that autocratic or disengaged approaches significantly stifle team synergy.

- Cultural and External Barriers: The most detrimental cultural factor was the Over-the-Wall Syndrome (ranking fourth overall). This confirms that disjointed communication and a "hand-off" mentality remain deeply ingrained obstacles to integrated workflow and collective responsibility in the Malaysian construction context.

Validated Best Practices for Emphasizing Teamwork

The study culminated in the identification and validation of 17 best practices, ranked by their perceived effectiveness. The hierarchy suggests a logical, sequential implementation flow for maximum impact:

1. Management-Initiated Action: The single most important practice is for leadership to "Motivate and promote employees to work as a team." This underscores that the initial catalyst for cultural change must be a deliberate, top-down directive supported by recognition and rewards.

2. Individual Behavioural Change: The second and third-ranked practices, "Preparing to change to accept teamwork" and "Building trust among colleagues and team members", emphasize that the leadership impetus must be met with a willing internal shift in employee mindset and the conscious development of interpersonal trust.

3. Cultural Reinforcement: Once the foundation is laid, cultural mechanisms can be institutionalised. The fourth-ranked practice, "Encouraging employees to speak up and express their opinions in meetings," is vital for creating the psychological safety necessary for innovation and problem-solving. Other highly ranked cultural practices include making colleagues feel valued, actively eliminating silo thinking through job rotation or cross-functional teams, and utilizing proper, transparent communication mediums.

This hierarchy implies a synergistic model: Leadership initiates, Individuals adopt, and Culture sustains.

DISCUSSION

The findings of this study offer a nuanced and actionable understanding of teamwork dynamics within Malaysian construction SMEs, both confirming and extending existing literature.

The identification of personal ego and silo thinking as the primary individual barriers aligns with contemporary research on psychological safety and knowledge management, which demonstrates how individualistic defences can cripple collective learning, innovation, and performance (Edmondson, 2018; Zhao & Wang, 2022). That these "soft" human factors ranked above technical skill deficiencies underscores a critical industry insight: the most significant barriers to performance are often behavioural and attitudinal.

The paramount importance of leader influence and motivation powerfully reinforces modern leadership theories. This finding provides strong empirical support for the principles of transformational and humanistic management within the construction SME context (Moehler et al., 2021; Rahman et al., 2020). It suggests that a pivot away from traditional, directive leadership towards more empowering, supportive, and motivational approaches is not merely beneficial but essential for unlocking collaborative potential. Leaders in these SMEs must act as chief enablers, actively dismantling barriers and architecting an environment where teamwork is the default mode of operation.

The persistent identification of the over-the-wall syndrome as a major cultural ailment confirms that fragmentation remains a chronic and costly issue (Durdyev & Hosseini, 2020). This validates the growing advocacy for implementing more integrated project delivery (IPD) models and leveraging digital collaboration tools like Common Data Environments (CDEs) and Building Information Modeling (BIM) that can bridge communication gaps and foster a shared sense of purpose from project inception to completion (Othman & Shahidan, 2022; Azhar, 2017).

The proposed sequence of best practices provides a strategic roadmap that closely mirrors established team development theory. This phased approach where leadership initiative, followed by individual buy-in, and culminating in cultural embedding, resonates with Tuckman's (1965) stages. The best practices serve as the practical interventions managers can deploy to guide their teams. For instance, "motivating employees to work as a team" is a direct leadership action pertinent to the Forming and Storming stages, while "encouraging open expression of opinion" is a cultural norm that helps manage conflict in the Storming stage and accelerates progress into Norming and Performing.

CONCLUSION AND IMPLICATIONS

This research successfully establishes a validated framework of best practices for optimizing teamwork performance in small and medium-sized Malaysian construction companies. The study concludes that:

1. Effective teamwork formation is a developmental sequence, necessitating mindful leadership to guide teams through Tuckman's stages from initial formation to high performance.

2. Teamwork effectiveness is critically hampered by a tripartite challenge: individual resistances (ego, silos), management shortcomings (lack of motivation), and cultural pathologies (over-the-wall syndrome).

3. A coherent set of 17 best practices, when implemented in a strategic flow initiation through management leadership, adoption through individual behavioural change, and long-term sustainment via a supportive organizational culture can significantly enhance collaborative performance.

The implications of this study are profoundly practical and strategic:

1. For SME Owners and Managers: This research provides an evidence-based diagnostic and intervention toolkit. Managers can use the ranked factors to identify their most pressing teamwork issues and apply the corresponding best practices in a logical sequence to transform their organizations from collections of competing individuals into cohesive, high-performing units.

2. For Industry Bodies (e.g., CIDB): The findings highlight an urgent need to modernize contractor development programs. Curricula must expand beyond technical skills to incorporate mandatory training in communication, conflict resolution, humanistic leadership, and team dynamics. Enhancing the "human stack" is as crucial as upgrading technical capabilities for achieving national goals of increased productivity, quality, and safety.

3. For the Academic Community: This study contributes a context-specific, empirical model of teamwork optimization for construction SMEs, a critically under-researched area. It provides a foundation for further research into the interplay of leadership, culture, and individual behaviour in project-based settings.

Limitations and Avenues for Future Research

This study was deliberately focused on G5 contractors within the Klang Valley to provide depth of insight, which may limit the generalizability of findings to other regions or larger firms. Future research could expand this scope to include SMEs in East Malaysia or other developing economies to explore regional and cross-cultural differences. Furthermore, while this study captured the contractor's perspective, a valuable extension would be a multi-stakeholder comparative study, contrasting the views of clients, consultants, and contractors on teamwork influences across the entire project ecosystem. Finally, a longitudinal or action-research study, tracking the implementation of these best practices and measuring their direct causal impact on key project performance metrics (e.g., cost variance, schedule adherence, defect rates, and safety incidents), would provide even more compelling evidence for their efficacy and drive widespread industry adoption.

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