

**THE ASSOCIATION BETWEEN LEADERSHIP STYLES  
AND CONFLICT HANDLING STYLES**

**(With special reference to Banking Sector in Sri Lanka)**

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## **ABSTRACT**

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Service organizations meanwhile banking provide intangibility product to the customer and this services expand due to the demand from society. Leadership and management had been popular subject in the banking services in the past few years Leadership style plays an important role in shaping the behavior and attitudes of employees in an organization. In recent years the study of leadership has drawn attention due to its role in the failure or success of an organization. Several studies have focused on investigating the role of Leadership in developed countries.

Conflicts are inevitable to the organization. According to the research finding of Chartered institute of personal development clearly mentioned that, almost half (44%) of respondents report that they have to manage disputes at work frequently or continually. This empirically study is investigated the association of leaders' Leadership Styles and their Conflict Handling Styles. Leadership styles are expanded as Transformational, Transactional, and Laissez faire Leadership Styles. Conflict Handling Styles are further expanded toward the Accommodating, Competing, Collaborating, Avoiding and Accommodating conflict handling styles.

Research sample of twelve banks have been selected from thirty two banks based on Brand Annual categorization. The sample consisted of sixty divisional heads represent with the five different division from each bank namely Administrative department, Finance department, Marketing department, Account department and Human resource department. The data were obtained by multifactor six s questionnaires and Thomas and killman conflict MODE instrument. The Data were analyzed through SPSS, MINITAB Microsoft excel software version to find out the association between leaders' leadership styles with conflict handling styles by descriptive statistics and Chi-Square Tests.

In order to achieve the first objective is identified the practicing Leadership Styles in banking personnel. Collaborating Conflict Management style is the dominant style of bank personnel. Most of the transformational leaders are practicing collaborating conflict handling styles and transactional leaders are practicing compromising style. The results indicated there is no association between leadership styles and conflict handling styles. But the research is further verified there is association between Transformational and Transactional Leadership behavior with the Conflict Handling Styles. The study recommended that training program can be implemented with reference to communication skills for enhancing the negotiation skills with subordinates who increase the efficiency and productivity of the banking sector.

**Keywords:** Leadership styles, Conflict Handling styles, Divisional Heads, Banking Industry, Collaborating Conflict Handling styles