

**THE IMPACT OF LEADERSHIP CHARACTERISTICS
ON ADAPTING TECHNOLOGICAL INNOVATION IN
THE BANKING SECTOR OF SRI LANKA**

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Abstract

Due to the worldwide pandemic, most banks in Sri Lanka are moving towards the implementation of technological advancements in their systems in order to improve their internal processes as well as the service quality provided to customers. The purpose of these technological innovations will only be achieved if employees are willing to learn and adapt to them. Various factors are known to be of impact to the adaption process of employees in organizations.

The study conducted addresses the process of identifying how different characteristics of leaders in the banking sector affect the employee's adaption process of technological innovations in the company. Skills model of leadership by Mumford et al.,(2000), Mikael Jensen leadership competency model by Jensen (2019) and the Leadership competency framework by Gimpert (2018) were used in exploring the different dimensions of leadership whereas the Technology acceptance model by Davis (1989) was used to inspect the theoretical perspective of the technology adaption process.

The study uses a positivism philosophy and a deductive approach and quantitative data is acquired through a survey piloted among banking sector employees who work with technology. The data collected were analyzed and findings on the relationship between the leadership characteristics and technology adaption were demonstrated using the SPSS software. All three variables (problem solving, communication and motivation) were proven through the hypothesis to have an impact on adaption of technological innovations in the banking sector.

A model was presented to predict technology adaption based on leadership characteristics followed with the limitations and recommendations of the study. Problem solving and communication were excluded from the suggested regression model since it indicated high levels of multicollinearity.

Furthermore, recommendations were provided to leaders in the banking sector on improving their characteristics to encourage the employee's process of adaption to technological innovations.

Keywords: Leadership characteristics, Technology Adaption, Banking Sector